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The 'Bull' Market Question 4
Cutting Absentees 50% 7
Advertising in Wartime .. 5
Strategic White Mica .. 15

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The Nation's Business

Grave Duty Facing Tories at Winnipeg

Every Canadian has a vital interest in what the Conservatives achieve at their Winnipeg convention early next month—and that means every Canadian, whether he belongs to one political party or to none.

For the decisions made at that convention will affect the course of Canadian history for generations.

Canada needs the Conservative party—a strong and virile Conservative party.

Vigorous political parties are the very essence of healthy and effective democratic government. The C.C.F. is by no means a satisfactory second party because it is a party of revolution. Once it came to power it would end the democratic party system and establish the tyranny of the totalitarian state. Democracy can only function when all parties agree upon the fundamental principles of freedom and the right of the people to change their government when they want to. The Liberal and Conservative parties are agreed on these principles. The C.C.F. stands for an opposite principle. It can destroy but not contribute to successful maintenance of the democratic way.

* * *

That is why it is so important that the Conservatives at Winnipeg should not fail to bring forth a strong leader. For Canada's sake they must not fail to produce a statement of policy that is atune with today's needs and aspirations. They must offer a political faith that appeals to the imagination of that great mass of Canadians unattached to any political party and, perhaps for the first time, fervently and alertly concerned about this country's welfare.

If the Conservatives at Winnipeg fail in these things, then they have done much more than wasted their own time and wandered further into the political wilderness. They doom Canada to an unhealthy, dangerous and inefficient political situation today, and to grave and perhaps irreparable dangers tomorrow.

* * *

Choice of a leader is the most crucial decision facing them. It is the leader who can win a following or repel. It is the leader who transmutes party policy into public policy.

Will the Conservatives select a man youthful enough to revitalize Conservative ambitions; stimulate imagination; rejuvenate principles? "A little powder and paint makes any girl look what she ain't," but will the new Conservative choice be really more than a dolled-up dandy of the Conservative Old Boys Association? Will the Conservatives select a man that can get along with Quebec; win some following there? Since Sir John A. MacDonald, Conservative leaders haven't got to first base in Quebec. That is a serious failure of a national political party to fulfil its national functions under our democratic system.

* * *

The Port Hope conference was an excellent intellectual exercise for the Conservatives. But it was more than that. The manifesto there produced was incomplete and in some measure self-contradictory. But the "Port Hoper's" were looking for a new approach. The strongly sympathetic public reaction to their manifesto indicates that Canada wants a Conservative party with new ideas and a determination not to die. The Port Hope groundwork will be useful as a foundation for a forward-looking policy.

But it will be the leader and the men around him who give expression to that policy, who put the fire and fighting dynamism into that policy, that will determine the future of the party and perhaps the Canadian way of life.

Those Conservatives who go to Winnipeg in December shouldn't delude themselves. The death, suffering and horror which war brings makes people think and feel deeply. Never before have Canadian men and women been so determined that the world for them and their children shall be a better, wiser world. Never before has so much been demanded of political leaders. The Winnipeg men have a grave and tremendous task ahead of them. The old performance won't be good enough.

* * *

CHICAGO TRIBUNE SHOWS ITS HAND

Colonel Bertie McCormick of the Chicago Tribune has recently made another of his contributions to international friction. This time his Tribune takes a terrific swing at Canada's Wartime Information Board, now completing its organization, and at its chief, Charles Vining.

In brief that attack is based on the assertion that any effort of Canada's WIB to inform the United States about our war effort will be resented; that "the Dominion's more influential editors" are opposed to the move; that the Vining staff selections are sinister and unsuitable.

But the attack is aimed chiefly at Vining himself and the Tribune sprays him with vehement and sordid imputations. The Tribune refers to Vining's association with the Canadian Newsprint Association, and lashes the Canadian pulp and paper industry as "conscienceless" stock peddlers, guilty of dreadful deeds against the State.

"No confidence can ever be placed in anything said by an organization under his (Vining's) direction," declares the Tribune.

Anyone remotely familiar with the facts will, of course, instantly understand that McCormick is off on another of his editorial benders.

* * *

Canada has suffered throughout this war by American lack of information about our war effort—and by American misinformation, some of it shovelled out by McCormick's paper.

The United States has just formed a bureau similar to our WIB — the Elmer Davis Office of War Information. It is vastly bigger than ours, but it has an office in Ottawa for informing Canadians just as our WIB will have an office in Washington. The Chicago chauvinist seems to assume that Elmer Davis informing Canadians is completely different to Vining informing Americans; that the latter is the way to "alienate Canada's friends."

But the truth probably is that Col. McCormick does not for one minute think the WIB will "alienate Canada's friends." In this case he is not conducting a campaign against Canada so much as against Mr. Vining personally. He apparently hates Mr. Vining because the latter, as head of the Newsprint Association of Canada, promoted the "pro-rating" policy in Canadian newsprint production and tried to bring Col. McCormick's mills into the plan. What an illustration of how the editorial policies of the self-styled "world's greatest newspaper" are framed: to attack an allied nation to vent a personal grudge!

Most interesting thing about this outburst is the indication it gives as to the source of the deluge of underground propaganda flowing out in recent weeks to discredit the work of the Wartime Information Board and to build up an attitude of non-co-operation against it in the United States.

If all the facts were revealed about the McCormick friends and helpers in Canada, Canadians might be surprised at the very mixed and interesting coterie.

Hit Rommel In Canadian Carriers

All Universal Carriers, 40,000 Transports, Many Guns, Made in Dominion

By KENNETH R. WILSON

OTTAWA.—All the universal carriers and at least 40,000 of the motor transports used in the British drive through Egypt came from Canada, The Financial Post is informed.

Our factories also supplied vast quantities of six-pounder and 25-pounder guns, small arms, ammunitions and other weapons. It is probable that the total of mechanized vehicles and arms we contributed to the campaign represents close to half the entire production of Canadian plants in recent months.

The performance of Canadian automotive plants in turning out equipment which has now encircled the warring world played a major role in the Egyptian success. As indicated this week in Washington by Hon. C. D. Howe, Canadian motor car plants will turn out their 500,000th vehicle this year. Only 11%

(Continued on page 2, col. 4)

N.S.S. is Stalled By Showdown

By STAFF WRITER

OTTAWA.— Biggest question mark on Parliament Hill this week is the fate of Elliott M. Little and the National Selective Service organization.

It is an open secret that the wheels of N.S.S. have come to a stop in recent weeks pending clarification of authority which Mr. Little is to have in the operation of manpower mobilization machinery.

With the return of Hon. Humphrey Mitchell from England the bitter controversy which has raged within the Labor Department in recent months has come to a head.

One major point at issue is that Elliott Little has been proceeding since the summer on the assumption that verbal assurances which had been given him as to his authority would be implemented by order-in-council. But the implementation (in the case of authority to deal with and administer the local employment offices) just did not materialize. Thus Mr. Little was left out on a limb—a position which looks all the more embarrassing in light of the clear-cut and effective manpower speeches which he has made from time to time—speeches which were clearly predicated on the assumption that the powers which he had been led to believe were his would be forthcoming.

Concentration Stalled

Pending clarification of the manpower administration argument the whole new programme for curtailment of civilian non-essential industry is also stalled. Plans are going ahead in individual industries for blueprinting the steps that might be taken if, as and when it is necessary to release men. But there is no disposition whatever to proceed with curtailment programmes so long as the N.S.S. machinery has stopped operating or is incapable of carrying the administrative load required to shift large numbers of men into war industry or the armed services.

Hon. C. D. Howe's Stand-in

Harris & Ewing photo for The Financial Post.

Edward Plunket Taylor buckled down this week to the latest and most important of several major assignments he has had since this war started. As deputy for Hon. C. D. Howe on the Combined Production and Resources Board, he moved his desk into the Social Security Building at Washington, where his next door neighbors are Sir Robert Sinclair, the British deputy, and the U. S. War Production Board. Young—just 41—one of Canada's best known businessmen, Taylor joined the Department of Munitions and Supply in May, 1940. He became joint director-general of munitions, then executive assistant to the minister. In 1941 he went to Washington as president of War Supplies Ltd. Later he was loaned to the British government as vice-chairman of the British Supply Council in North America. He also became director-general of the British Purchasing Mission.

Court Case Threatens Controls

Legal Status of Ottawa Machinery is Questioned by Toronto Jurist

By STAFF WRITER

OTTAWA.—That Judge Parker of Toronto has come very close to grasping the Achilles heel of Canada's entire wartime control machinery is the considered opinion of those persons who have read the Parker judgment and are competent to observe and appraise the trend and present status of "delegated authority" in the administration of Canada's war effort.

By reason of this very arresting judgment the whole question of delegated authority under the War Measures Act is almost certain to be reviewed. Three things are expected to happen:

1. The powers of the Minister of Munitions and Supply will almost certainly be strengthened to overcome a weakness pointed out by the judge.
2. A tightening up and closer scrutiny of all control and administrative orders.
3. Eventually, when Parliament has had an opportunity to review the matter, the War Measures Act itself will quite probably be amended and strengthened. (The act in its present form is virtually unchanged from the original wording of Aug. 22, 1914.)

Meanwhile, although a Justice Department opinion is said to have been given to the effect that control authorities may proceed on the basis of "business as usual," there are considerable heartburnings as to the exact position of much of Canada's wartime control machinery.

In a lengthy dissertation which embraces the whole matter of dele-

(Continued on page 2, col. 1)

How U.K. to Curtail Financial Services

Kennet Report on U.K. Bank and Insurance Streamlining Expected to Influence Canadian Programme of Financial Frill Trimming

By STAFF WRITER

OTTAWA.—Elimination of machinery which promotes the sale of new life insurance, and curtailment of hours of services of branch banks, are recommended in the Kennet report on British financial institutions.

First copies of this report which may have an important influence on discussions at Ottawa designed to lead to the release of manpower from Canadian financial institutions, have just been received in Canada. The recommendations are based on the findings of three groups of experts who sat for several months under the chairmanship of Lord Kennet.

The report is in three sections and deals with banking and allied industries, ordinary insurance and industrial insurance.

Highlights follow:

Banking

1. Amalgamations of banks, even if it were practicable would not result in any staff saving soon enough to be of practical assistance in the war effort.

2. Closing of bank branches should be carried further. At present 1,742 branches (20%), have been closed, but further closing would permit better use of marginal time of staff not now fully employed and make possible extension of working hours where this would reduce numbers employed.

3. Modifications in bank routine, viz.:

(a) reduction in returns and statistics.

(b) less frequent checking of cash (fortnightly or monthly instead of weekly).

(c) pooling of staff at large branches to avoid "excessive departmentalism."

(d) centralized bookkeeping in large centres of population.

(e) less frequent exchange of notes in the Scottish banks.

4. Adoption of a shift system to make better use of mechanical appliances.

5. Less service to customers: cutting down detailed statements of cheques drawn and payments received for private customers; payment of salaries in cash rather than by cheque; reduction of open credits for individual customers at a number of branches.

6. A service charge for special service.

7. Curtailment in hours of service from present closing time (3 p.m.) to 2.30 throughout the year.

8. Increased employment of part time help; employment of qualified aliens, and establishment of special staff training schools.

Ordinary Insurance

One basic principle in this section of the report which is of special interest to Canada is the opinion that "the position of British insurance in foreign markets should be maintained at any reasonable cost as representing a substantial and economical invisible export."

The most important single recommendation has regard to eliminating the sale of new life insurance. Says the report:

"Whilst it is . . . desirable that the facility of effecting life insurance should be available to the public there does not appear to us to be any need for the creation and maintenance by advertisement or salesmanship of a public appetite for insurance of this class.

"We are of the opinion that the offices doing this class of business

(Continued on page 2, col. 3)

Ottawa's Slant On Malton Case

High Official Says Expropriation Followed Clash Over Management

By STAFF WRITER

OTTAWA.—There was nothing confused or mysterious about departmental action in the Malton expropriation," The Financial Post was told by a high authority.

"It was simply a case of choosing between David Boyd and National Steel Car management. We borrowed Boyd from Canadian Car & Foundry under arrangement with the late Mr. Magor to run the Malton plant, so as to have a first-class man in charge of the Lancaster contract. We sent him to England to learn all about the Lancaster at first hand. So long as Mr. Magor was alive that arrangement was lived up to.

"Subsequently we learned to our very great surprise that Boyd had resigned and that his resignation had been accepted by the directors of the company. They refused point blank to take him back. Representations were made to us by employees and by the designers of the plane itself urging that he be continued in charge of the plant. This the company refused to do.

"We had no choice then but to choose between Boyd and the management. We chose Boyd which meant expropriating the plant."

U. K. Simplification Sets Pace

Results Provide Model for U. S., Canadian Plans

By ROBERT T. ELSON

WASHINGTON.—Is there a material shortage on this continent?

Many important economists and industrialists here are still from Missouri. They still don't believe that you would have to "scale down" arms output of either Canada or the United States if we adopt the rigid restrictions on civilian use, standardization and simplification that apply in Germany and Britain.

Particularly does the United Kingdom figure in the policy discussions because Britain has expanded her arms production on slim resources mainly by more economical use of materials.

A close study of recent British methods is believed to have inspired Economic Stabilization Director James F. Byrnes' recent directive to the War Production Board to press home its campaign for standardization and simplification. This is interesting to Canada too because, if by better balance, control and use, more material is made available, Canada can expand her production rather than reduce it because of lack of materials.

British sources in Washington this week made available to The Financial Post some amazing figures in connection with their achievements in saving materials.

They show what can be done. They are not offered, it is emphasized, as a comment upon Canadian or United States methods. The British merely say of these figures: "This is what we have done because we had to do it."

Moral is that a successful materials conservation programme on this continent to equal the British has to have three main features:

1. There must be more aggressive progress toward simplification and standardization.
2. War industry must have access to all inventories and recapture some of those presently reserved for civilian use.
3. The allocation system must work. The British one does.

Canada has progressed farther than the United States toward the goals of standardization and simplification but has a long way to go to equal the British measures. The United States has barely "scratched the surface."

Here are some records of British accomplishments.

In one of the three main critical materials, steel, the British reduced specifications from 2,000 to 58. By simplifying specifications in nuts and bolts they saved 5,000 tons a year.

To show how this applied in simple things, British prams (baby carriages) once the best in the world, used to have 34 pounds of steel. Now those that are still produced have less than 14 pounds of steel.

Even with the terrific maintenance problems facing British railroads, they are limited to 30% of pre-war requirements; collieries 30% and public utilities 40%. The motor industry producing essential vehicles gets less than 5%.

Total overall civilian requirements in steel, some of which can be classified as part of the war effort, have been reduced to 7% of pre-war requirements. In the United States best guess is that the reduction contemplated is about 12%. Leon Henderson, O.P.A. chief, recently estimated that steel for civilian end-use products now amounts to 1.5% of U. S. production. British allot-

(Continued on page 2, col. 3)

Munitions and Supply to Open Two Conservation Exhibits

By STAFF WRITER

OTTAWA.—Canada's drive to secure best possible use of materials, machine tools and manpower will result shortly in the opening of permanent conservation exhibits in Toronto and Montreal, the Department of Munitions and Supply announced this week.

Arrangements for the Toronto exhibit are already well advanced with a location selected at 51 Bathurst St. Both the Toronto and Montreal exhibits will be open to all workers in war plants, it is stated.

A similar exhibit at the "Conservation Conference" of M. & S. subcontractors at the Royal York Hotel on Oct. 17 disclosed many ways in which Canadian firms have saved material, equipment and labor in war production. The new exhibits will give similar information, but in permanent form and to a larger audience.

It is no secret that the Department of Munitions and Supply views conservation of materials, machine tools and manpower as of first importance in maximizing our war effort.

At the Royal York convention of Oct. 17, Dominion Co-ordinator of Production H. J. Carmichael, summarized the current situation in the following words:

"The conservation of materials, manpower and the machine and tools at the present time are the greatest needs, not only in Canada, but in North America, despite our vast reservoirs of such materials, manpower and machines."

Scrap Metal Rolls East

Western Farms Collect 120,000 Tons of Steel

By STAFF WRITER

OTTAWA.—Central Canada steel mills have been "kept rolling" by the flow of scrap from the prairies, according to L. Levin, steel scrap authority in the Department of Munitions and Supply.

Since the prairie farm collection drive started last July, more than 120,000 tons of steel scrap have been gathered from western farms. Of this total, about 85,000 tons have already been shipped to central Canada. While this tonnage looks small against annual requirements of Canadian mills (about 2 million tons) it has been enough to assure continued operation.

It has gone far to make up the deficiency caused by withdrawal of scrap imports from the United States. Collection of western scrap has been carried on through some 2,000 elevator stations, placed at the disposal of the government by the grain trade.

Movement of the scrap to eastern points has been subsidized, but average per ton costs have so far not exceeded $3.50 to $4 per ton. The aim has been to limit the subsidy to $5 a ton at the outside. As present scrap sources dry up, it may be necessary to extend this limit and move to higher priced or less readily available scrap.

For example, there is a lot of steel scrap in the form of sunken ships, which could be collected if necessary. Subsidized scrap, to date, represents only about 10% of requirements. Most of the subsidy has been in freight-rate differentials. The government pays a uniform price of $17 a ton at point of collection and makes up whatever difference is required to move scrap from distant points.

Must Meet Deficiency

In 1941 Canada obtained about 275,000 tons of steel scrap from the United States. At present this source has dried up entirely.

The deficiency must be made up in Canada. Canada must also be prepared to meet an increasing production programme, and to face the fact that the potential sources of supply in the Dominion may peter out quickly. Much of the scrap supply is "non-recurring."

To maintain dwindling inventory of scrap metal, the Steel Controller issued last August, Order No. S. C. 16, which made it an offense to retain more than 500 pounds of steel scrap in any plant unless a report had been filed with the Used Goods Administrator at Toronto. The definition of scrap metal for purposes of the order is

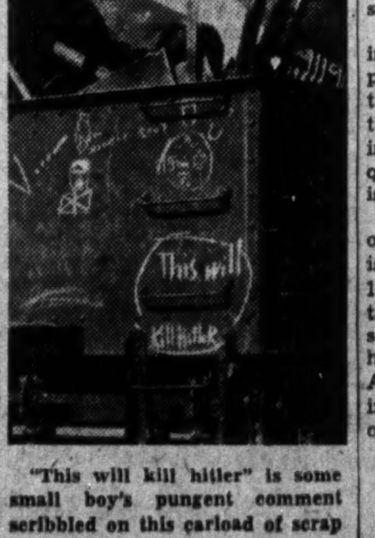
" . . any article, commodity, material or thing which contains ferrous metal whether alone or in conjunction with any non-ferrous metal or other substances and which is suitable for scrap; and any such article, commodity, or material or thing shall be deemed to be suitable for scrap if it is or forms part of any building, structure, machinery, plant, article or thing which is disused, obsolete, redundant or otherwise serving no immediate vital purpose."

No Prosecutions Yet

As a result of that order, a considerable volume of scrap has flowed into the market from industrial plants, scrap heaps, etc., but no prosecutions have been made for non-observance. At the moment, the visible inventory of scrap for Canadian steel mills is at the point where such prosecutions are not deemed urgent. It is believed that once prosecutions were instituted, the flow of industrial scrap would overtax collection and handling facilities.

Although returns made under the order have been disappointing, the Used Goods Administrator has made a start toward collecting an inventory of "dormant" scrap metal throughout the country. Much of this scrap is in machinery and equipment lying idle in individual plants. Some of the metal is in parts or machinery put to one side because of new wartime installations. Whether

(Continued on page 2, col. 6)



"This will kill hitler" is some small boy's pungent comment scribbled on this carload of scrap for Canada's steel mills.

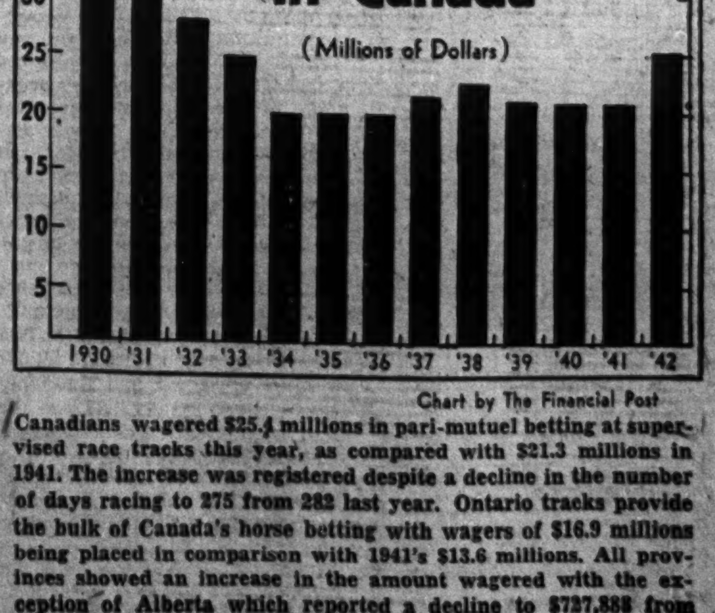


Chart by The Financial Post

Canadians wagered $25.4 millions in pari-mutuel betting at supervised race tracks this year, as compared with $21.3 millions in 1941. The increase was registered despite a decline in the number of days racing to 275 from 282 last year. Ontario tracks provide the bulk of Canada's horse betting with wagers of $16.9 millions being placed in comparison with 1941's $13.6 millions. All provinces showed an increase in the amount wagered with the exception of Alberta which reported a decline to $727,888 from $920,356.

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War Controls in Doubt After Parker Ruling

(Continued from page 1)

gated authority under Canada's War Measures Act, Mr. Parker in his capacity as a York County Judge has dismissed an appeal for conviction of a Toronto tire dealer who is claimed to have made a tire sale contrary to an order of the Deputy Controller of Supplies, J. R. Nicholson. Judge Parker dismissed the appeal on the grounds that the offense was committed by the plaintiff's son and that the plaintiff had no knowledge of the offense.

But he goes on in his judgment to discuss at some length the whole constitutional and legal status of wartime control orders. He concludes by stating his opinion that the particular order in question is ultra vires the Controller of Supplies and is a nullity.

Although an appeal of this sort when ruled on by a county judge cannot be carried to a higher court, the Parker ruling has already been quoted at Kingston, Ont., as argument for disallowing another offense under wartime control authority. In this case National Selective Service was the authority concerned.

Without delving too deeply into constitutional law there are certain important points which arise from the Parker judgment.

Where Does Authority Come From?

The basic question at issue is the degree to which authority can be delegated under the War Measures Act and the manner in which that authority has been delegated since the outbreak of the present war.

All war orders, regulations, etc., stem from original War Measures Act of 1914 which stands virtually unchanged from that day to this, and from the Munitions and Supply Act of 1939. These acts delegate certain powers to the Governor-in-council.

In practice the Governor-in-council has been in the habit of delegating these powers either by way of general orders-in-council (the order establishing the price ceiling, for example) or by specific orders naming controllers and administrators with certain administrative and legislative power.

There are apparently two schools of thought as to the adequacy of this authority in terms of present-day needs and problems. One school thinks the War Measures Act badly needs amendment if much that has been going on in the past three years is to be legalized. Another school thinks that this chain of delegated authority is implicit in the War Measures Act and that there is nothing much to worry about.

It is understood that the late W. N. Tilley gave an opinion as to the validity and soundness of the authority granted to the W.P.T.B. under its order-in-council (P. C. 8528). (This particular order-in-council has just this week been replaced by a new order which clarifies and extends the board's power to give it more specific authority in the field of industrial curtailment.)

M. & S. versus W.P.T.B.

There is an important difference between the orders issued by controllers and deputies in the Department of Munitions and Supply and those issued by administrators and deputies in an organization such as the Wartime Prices and Trade Board.

The situation is this: M. & S. controllers derive their legal power from two sources—the statute which sets up their department and the order-in-council which delegates certain specific powers to individuals within the department.

In the case of the W.P.T.B., that organization itself only exists by virtue of an order-in-council (it has no statutory existence in the same sense that a department of government exists), therefore administrators in that department have (in law) an even less certain legal existence than their fellow controllers.

In the Parker judgment it was found that the statutory authority of the department itself was not behind this particular control order. The reason for this is apparently that officials of the Department of Munitions and Supply (though well aware of the problem) have never taken the trouble to clarify their procedure and strengthen their powers by amending the departmental act. This step is almost certain to be done very promptly.

Meanwhile it is expected that the Department of Justice will review the whole situation with a possible decision to underpin the whole structure with an amendment to the War Measures Act when Parliament next meets.

One implication of the judgment which Ottawa will strive to avoid at all costs is the prospect of having to issue an individual order-in-council for every control or administrative order. In the case of Munitions and Supply it is believed this can be done by amending the departmental statute—the Munitions and Supply Act of 1939. For other branches it may be necessary eventually to amend the War Measures Act to make sure that the war machinery is on perfectly safe legal ground. Ottawa officials see little prospect that the Parker judgment will actually cause order-making machinery to pause or halt in any important particular.

Enforcement officials, however, admit that they will perhaps hesitate to bring prosecutions in certain cases. Price control rules are set out by order-in-council and thus considered sound legally. So are the main rent control regulations, but certain phases of the latter, such as requirements as to notice to vacate, etc., are carried out through administrative order of the rent controller and not directly by order-in-council. This example illustrates some of the confusion resulting from Judge Parker's decision and its wider legal implications.

Investor's Index

Nov. 21, 1942

Asbestos Corp. . . 2
Bell Telephone . . 2
B. C. Power . . 11
Brown Co. . . . 5
Canada Cement 11
Candn. Bakeries 8
Canadian Car. . 2
Confed. Life . . 8
Consumers' Gas. 5
Godfrey Realty . 5
Guelph Carpet . 5
Imperial Varnish 5
Indust. Accept. . 11
Inter. Paper . . . 10
Inter. Power. . 11
John Inglis Co. . 7
King Ed. Hotel . 5
Natl. Steel Car 1, 2
Premier Trust . 11
Reliance Grain . 2
Robt. Mitchell . 10
Sherbr'ke St. Rl. 5
Steel of Can. 11, 13
Tor.-St. Cath. Tr. 2
Trans-Canada . . 11
University Twr. 5

MINES AND OILS
Beattie 15
Bonfield Synd. . 15
Britannia. . . . 14
Gold Frontier . . 15
Granby 14
Hollinger 15
Inspiration M. . 15
Kerr-Addison. . 14
Macassa 14
McKenzie 14
McWatters 15
Mica Consol. . . 15
Perron 15
Preston 14
Purdy Mica . . . 15
Sladen 14
Steep Rock . . . 14

REGULAR FEATURES
Banking 8
Bonds 5
Bond Quotations 12
Business of Farming 13
Business, Week in 7
Editorial 6
Income Tax Queries 10
Insurance 8
Investment Page 4
Enquiry Letters .... [illegible]
Market Opinions 4
Stock Quotations 12
Mining Page 14
Mining Quotations 12
Oil Page .... [illegible]
Oil Quotations .... [illegible]
Royalty Offerings 13
[illegible]
Pulp and Paper 10
War Regulations 7
Wheat Page 13
Wheat Prices 13

Asks Voice In Framing Labor Bill

Arguing that more than three out of every 25 workers in Canada are affiliated with the two main labor unions, an employees organization in the Niagara Peninsula has asked members of the Ontario Legislature for assurance that it will be consulted in the framing of the proposed new labor legislation to establish the principle of collective bargaining. This Niagara organization, known as the Canadian Federated Council of Employees, with headquarters at Hamilton, reports "more than a little apprehension" among workers over the following public statement by Premier Gordon Conant:

> "The new labor bill will be framed to meet the wishes of the Canadian Congress of Labor and the Trades and Labor Congress of Canada. In any case it will give labor unions legal status and will establish the principles of collective bargaining."

The CFCE argues that this representation of Canadian labor is inadequate and in a statement circulated among members of the Ontario legislature it declares that of the 2½ million workers of Canada "not more than three out of every 25 are members of unions affiliated with the above mentioned Congresses, five out of 25 are members of independent unions not affiliated with such congresses, while 17 out of 25 do not belong to any union affiliated or independent."

Additional Water Defers Power Plan

From Our Own Correspondent

MONTREAL.—Improved water conditions of late have deferred plans for further curtailment of power delivered to non-essential industries. Another large block of energy was earmarked for the war industries. The manner in which it was to be secured had been laid out but the improvement in water storage conditions in Quebec has made it possible to defer plans for the time being.

At this time every effort is being made to conserve water supply for it represents so many kilowatt hours of electrical energy later in the winter.

Simplification In Britain

(Continued from page 1)

ments for the same purpose are even smaller.

Cut in Copper

Another pertinent example of reductions made in the civilian economy is in non-ferrous metals. The British set aside less than 7% for this purpose. In the United States it is estimated—unofficially—that civilian requirements in copper alone will take at least 7% of current production.

Particularly interesting is the case of timber, perhaps one of Britain's most critical materials because it is virtually all imported. For furniture today in Britain only 10% of prewar consumption is allotted for all production. The industry itself is limited to 19 different types of essential pieces. Because of this standardization, and notwithstanding limitations in timber use, furniture production today is 12% of prewar levels.

Some of these cuts can only be explained by savings in other fields. Take the case of the railroads limited to 30% of pre-war requirements in steel. How do they do it?

First the country is zoned. Cross-hauling, one of the great consumers of freight-miles on this continent, is eliminated so far as possible. Zoning saved 50 million freight ton miles a year. The order halting shipments of fresh flowers to London saved 365 full trains a year.

Economists who have seen complete reports on the British experience are impressed. Britain is a small country by comparison with this continent. Such savings could be multiplied many times here.

How U.K. to Curtail Financial Services

(Continued from page 1)

should take steps which will result in the elimination from their personnel of those who are engaged wholly or for a substantial part of their time in the quest for new business."

The report also urges the elimination of insurance transfers "unless the insurer has demanded an increased rate of premium or some other material change in the terms or conditions of the policy . . ."

It finds against "concentration" of business among various companies, and recommends study of "some further consolidation of all insurance undertakings at present working as separate entities but under the same financial control."

The report finds against concentration of industrial insurance partly because of the great lack of uniformity of practice among offices. It finds no room for manpower saving through modification or reduction in services and stresses the important work being done in collecting premiums of 90 million paying policies, and encouraging thrift and making the large sums of money (over £70 millions since the outbreak of war) available to the government. It commends the "block" system of collections as practised by the Prudential Assurance Co. and suggests that its adoption be seriously considered.

The War and Business . . .

North Africa Only Preliminary

Authorities both in London and Washington are warning the public against overappraisal of the significance of the North African fighting. They point out that while this operation is important it can only be regarded as a preparation for a decisive move later on.

Reading between the lines it is apparent that the authorities consider the African squeeze merely a preliminary to establishing a bridgehead to Europe where they expect Hitler will resist with large scale and bloody fighting. They do not, however, gloss over the fact that considerable fighting in Africa is still expected.

* * *

Major African Prize

Main prize of the North African fighting is a colossal fleet of merchant ships. These are the vessels at present plying the 9,000 mile detour around Africa.

If the United Nations are able to reopen the Mediterranean for direct shipping that month-long voyage will be eliminated. From southern England to the base of the British Army in Egypt via Capetown is almost 12,000 sea miles, via Gibraltar and Malta it is a trifle over 3,000. With the Mediterranean open a freighter or transport could make the journey there and back as well as 50 round trips across the English Channel to France in the same length of time now required to make one round trip to Egypt via the Cape of Good Hope.

To India via Suez there is almost a similar saving. The direct route from southern England to the naval base at Colombo, Ceylon is 6,725 miles, by the southern tip of South Africa as is now necessary it is almost 4,000 miles farther, or the equivalent of about 30 round trips from Folkestone to Boulogne. If the Mediterranean could be made safe probably enough ocean tonnage would be saved overnight to open a second front in western Europe.

* * *

Restaurant Meals

Restaurant meals are said to be giving rationing officials at Ottawa some concern. There has been criticism due to the fact that under the present system it is perfectly feasible for some people to get as many meals as they like in a restaurant with of course no corresponding dint in their ration books for sugar, tea, coffee, etc. Eventually those that eat out in a large way, may have to surrender a portion of their food coupons but this step seems far in the future.

Of more immediate likelihood, it is believed, will be a nation-wide control of possibly the size and price and variety of meals offered in the restaurants, such as has been in effect for some time in Great Britain.

* * *

Featherweight Freight

Official plans to raise all minimum carloads of freight to 60,000 lb. might create a fatal hardship to certain industries interested in the production of light weight, essential goods. An example would be certain light grass seeds like timothy or some of the western grasses. Many of these weigh 14 lb. or less to the bushel and it would be physically impossible to get much more than half the proposed new minimum into the average box car. Inclusion of such in the new order might completely halt all movement of this seed.

The new order, postponed once but still believed under consideration, is designed to make greater use of existing freight facilities by ensuring that all cars are filled.

* * *

50% For U. K.

One half of Canada's output of munitions and war materials to date has been for the account of the British Government, according to H. J. Symington, Power Controller. Around 30% has been retained by Canada for her own uses, while the balance of 20% has gone to the United States, China, Australia and other members of the United Nations.

* * *

Diplomats Save, Too

In the good old days when rubber and oil cargoes used to arrive regularly at our shores, diplomats were very particular about formalities. Their visiting cards were always delivered in person. But wartime economy has changed that. A Toronto citizen the other day received his by mail and in addition to the regular cards, there was a brief little note to this effect:

> "In conformity with the decision of the Cabinet and the Diplomatic Corps these cards have been mailed, rather than left in person, solely to help conserve gasoline and tires."

* * *

War Costs Compared

The American war effort is now operating at the rate of about $6 billions a month and may soon reach $7 billions according to Whaley Eaton of Washington. Allowing for the difference in national wealth and population, a comparable basis for Canada would be $6 to $7 billions a year as we are about one twelfth as big as our neighbor. Actually, however, recent estimates of Canada's war expenditures run around $3 billions a year and if the recently announced bank borrowings of approximately $645 millions should be included, our annual rate might be as high as $4.5 billions or approximately 75% of the American rate.

Both spendings cover advances in the way of lease lend, etc., to allies.

* * *

Meet Power Demands

Ontario's growing war power needs can be handled by the Hydro-Electric Power Commission of Ontario on the basis of present indications, Hon. W. L. Houck and J. A. Smith, two members of the Commission, recently stated.

December or January, when greatest demands are regularly made upon Hydro power resources, will permit the gathering of complete data on results of power conservation moves. Preliminary indications are that this campaign has brought good results which have already been effective in easing Hydro's power shortage problems.

Hydro's planning of its power resources and loads is complicated in wartime because new loads come on at irregular intervals and not always when expected. New war plants may come into operation ahead of their schedule or several weeks late, due to conditions over which Hydro has no control.

* * *

Shorter Work Week Best?

A growing tendency appears noticeable among Canadian industrial leaders to question the wisdom of using a work week longer than 48 hours. One company which has been working two shifts of 10 hours each has changed to three eight-hour shifts and has found that its workers have far less lost time and production is actually greater per hour worked. Another company has recently changed from a 60-hour week to a 56-hour week and is considering cutting this down still further.

Both these companies are employing many women and the greater proportion of their staffs are new to industrial work. They find fatigue an important factor in these longer hours and also note a growing tendency to have minor accidents in the last two hours of a longer day. This is closely in line with British and United States experience.

* * *

Still Shackled

So far as is known Canadian prisoners taken at Dieppe are still shackled in Germany and an equal number of German prisoners in Canada are given the same treatment.

How Rommel Was Licked

(Continued from page 1)

of these vehicles are being retained for the Canadian forces. The remainder have been shipped overseas to every theatre of war—especially the Middle East.

What Mr. Howe might have added was the astounding fact that Canadian automotive plants are now turning out 10 times the volume of their peacetime production.

Impressive Figures

Other notable facts disclosed by Mr. Howe throw new and valuable light on the extent and disposition of Canada's war production effort. Here are some of the highlights:

Total output in 1942 will reach $2.5 billions. In 1943, this figure will have risen to $3.5 billions.

Allocation of Canada's munitions output is as follows: 30% to Canadian forces; 50% to British theatres of war including Russia; 20% to the United States and Pacific zones, including Russia.

Merchant shipping output in 1942 will be one million tons. In 1943 this will rise to 1.5 million tons. The Canadian Navy, in Canadian-made ships, does 45% of all escort work in the Atlantic between North America, Great Britain and Russia.

Nine aircraft types are being made in Canada with monthly output of 400. Expenditure on aircraft in 1942 is $209 millions; will rise to $385 millions in 1943.

Russian Shipments

Shipments to Russia have totalled $100 millions, of which half has been Canadian-made tanks.

Aluminum production has been increased from 95,000 tons before the war to 500,000 tons today. Canada now fabricates 45% of all the aluminum on the North American continent.

British War Risk Rates Increased

Higher Atlantic war risk insurance rates have been quoted by the British Government's War Risk Insurance Office. These include:

Between the West Indies and South America, 10% of value compared with 6% previously; between North or Central America and South America 10% against 6% previously. These compare with American commercial rates varying from 7½% to 12½%.

Between American Atlantic ports or the West Indies and Australia the new British rate is 10% against 9% formerly; between American or West Indian ports and Africa including Aden 10% against 7½% to 9% previously.

American underwriters quote 15% on voyages to Australasia via the Panama Canal and 20% to Africa.

Investment Notes

Canadian Car & Foundry Co.'s plan for cleaning up the arrears of dividends on the preferred stock is expected to be made public before long. The scheme is expected to take the form of a partial cash payment, with capitalization of the remainder of the arrears and other minor concessions.

* * *

Bell Telephone Co. of Canada has brought its issued share capital up to 841,530 through the release of 460 shares, full payment for which has been received under the employees' stock purchase plan.

* * *

National Steel Car's current working capital is estimated to be in excess of $4 millions, according to Greenshields & Co. "Notes on Securities." This works out at $22 a share, or well on to half of the stock's book value of $51.99.

* * *

Toronto-St. Catharines Transport Ltd. announces that George E. Parke, for 20 years or more associated with Toronto Storage & Transport Co. and Toronto-St. Catharines Transport, has decided to dispose of his interests to the controlling shareholders and retire from active management of the business. Mr. Parke is president of the Canadian Automotive Transportation Association and an honorary life member of the Automotive Transport Association of Ontario. His son, Don Parke, continues with the company.

* * *

Asbestos Corp.'s declaration of a 30-cent bonus, in addition to its regular dividend of 20 cents, brings payment for 1942 up to $1.40 a share. This contrasts with $1.20 a share in 1941 and a like amount in 1940.

Prairie Metals Roll to East

(Continued from page 1)

it will ever be used again is a matter of conjecture.

The general principle on which scrap collection is proceeding is that if at any time a plant on war production is in danger of closing because of lack of scrap, then "dormant" scrap may have to be utilized. So long as inventory position at Canadian steel plants remains reasonably "comfortable" there will probably be no attempt to acquire this type of machinery or equipment.

Actual inventory position at Canadian mills is an official secret. In normal times, mills like to have at least six months scrap on hand.

In the United States scrap inventory has probably dropped to little more than a month's supply. In Canada it is reported we are far from the "ideal" but in all probability in a slightly better position than some U. S. mills. However, in Canada there is the troublesome fear that the backlog of scrap is not nearly so large as in the U. S.

Chief source of scrap in Canada is industrial plants. From run-of-mine plants throughout the country comes probably 50% of all scrap normally used. Next source is what is known as "plant" scrap. This is a recurring item and refers to the metal scrap collected in fabricated steel plants. This represents about 20% of total tonnage.

The remaining sources are railways and rural communities. Each contributes about 15% of the total.

Reliance Grain Co., in addition to the regular quarterly dividend on its preferred stock, has declared a payment of 1¾% on account of arrears. With this payment on Dec. 15 arrears will be reduced to $6.50 a share.

Municipal Bonds

Nov. 17, 1942

		Due	Bid	Ask	Yld. %
†Halifax	5	1961	112.50	114.50	3.77
Hamilton	5	1950	110.25	112.25	[illegible]
Montreal	5	1956	95.50	97.50	[illegible]
Ottawa	4½	1945	104.00	105.50	2.37
†Quebec	5	1958	106.50	108.50	[illegible]
Saint John	5	1956	[illegible]	[illegible]	[illegible]
†Toronto	4½	1955	116.75	118.75	[illegible]
†Vancouver	5	1970	102.00	103.00	[illegible]
Winnipeg	5	1944	100.00	102.00	[illegible]

†Payable Can. & N.Y. *Flat.

EXPERIENCED TRAVELLERS

CARRY MONEY SAFELY

Canadian Pacific Express
TRAVELLERS CHEQUES

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Dominion—	Date Issued	—Sold to—	Rate	Due	Amount	Price	Yield
Canada Treasury Bills	Nov.			Feb. 12, '43	$45,000,000	99.869	0.525%
Victory Loan	Nov.		3%	1956	*972,000,000		
			1¾%	1946			

*Preliminary.

HOLD HIGH THE TORCH OF FREEDOM

BANK CREDIT
ESSENTIAL TO DEFENCE

Loans needed to further Canada's war efforts naturally have priority at the Bank at this time. However, commercial credits for normal constructive purposes are being supplied as usual.

The maintenance of a sound, smoothly functioning, normal-times economy is fundamental to national defence—and banking service has an important part in such maintenance.

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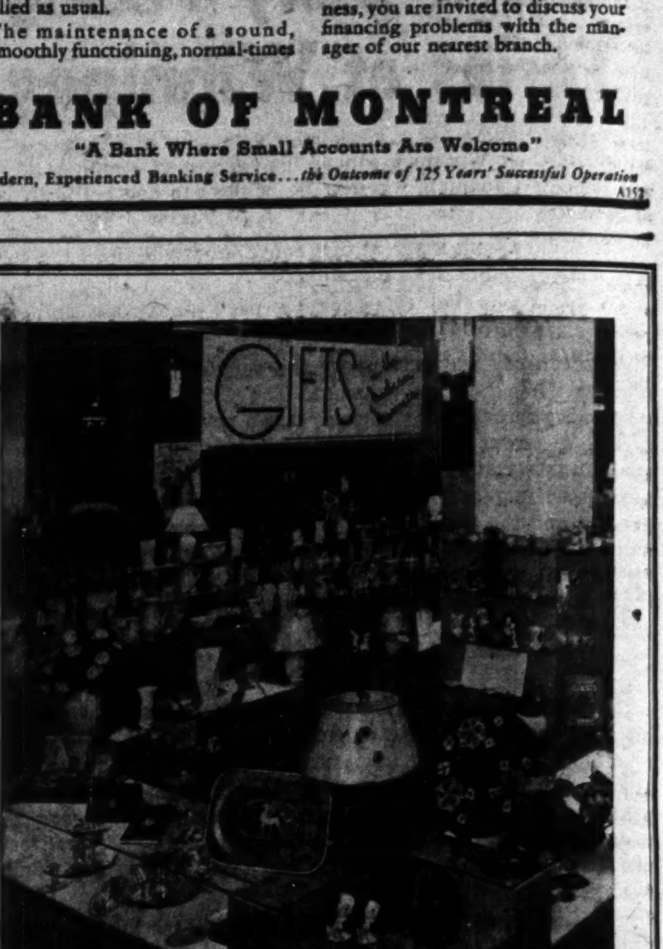

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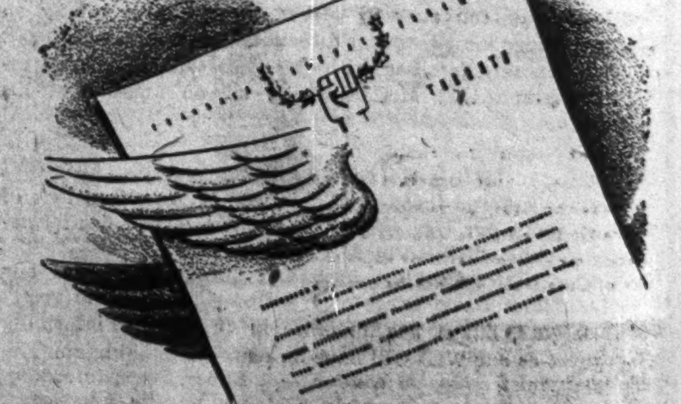

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SCRIPT MIMEO Bond

This Week The Financial Post Asks

Should Ottawa Pledge to End Restrictions?

The Question: To win fullest public co-operation, should the government give immediate and definite assurance that wartime restrictions and controls will be lifted as soon as practical after the war?

Romuald Bourque

President, Kiwanis St. Laurent, Montreal.

All good citizens of Canada realize the importance of wartime controls and restrictions imposed by the Dominion Government and willingly abide by them. The necessity for these regulations is obvious when a nation is engaged in all-out war but it should be the policy of the government and of the people to seek the removal of all unnatural restrictions as soon as possible after the conflict ends.

It would be unwise to consider these orders as being in effect for the duration of the war only, however, since there will be a period of reconstruction when it will be necessary to exercise continued control in order to avoid economic chaos. There is no way of telling at the present time how long this period will last and how long it will be necessary to continue some wartime regulations.

A great deal will depend on the length of the war and the condition of Canadian industry, transportation and other business services when the war is over. The constant aim should be to remove artificial control as quickly as possible without unnecessarily disturbing the resumption of normal business.

• • •

C. H. Carlisle

President, the Dominion Bank, and prominent Canadian industrialist.

It is essential that it should.

Under present war conditions my thought is that central authority is essential, whereby all products, commodities and manpower may be requisitioned and allotted economically, efficiently and promptly. This should not unduly interfere with direct management and operations, nor should it require a large and expensive police force to implement it.

In peacetime, both history and experience have proven regimentation by governmment has never succeeded, nor can it be to the best interest of people as a whole.

• • •

Charles Daly

Mayor of St. Catharines, Ont.

I am of the opinion that wartime restrictions and control are necessary in wartime, and not knowing what conditions will be after the war, I would hope that we have a government wise and courageous enough to meet the situation at that time, retaining those restrictions that are of benefit to the country as a whole and rescinding those not considered necessary in peacetime. I would not want to see a government promise to do something in the future that, when that time comes, might not be advisable in the best interests of the country.

• • •

Hugh C. Farthing, K.C.

Well-known lawyer, Calgary, Alta.

Most assuredly. We have learned something about co-ordination of effort which could be carried into the future to the benefit of all concerned. But the ordinary daily multiplicity of restrictions affecting the work and lives of us all should be removed just as soon as possible after victory is won, having due regard to the difficulties of demobilization and re-establishment and the transition of industry from a war to a peace basis. We are fighting for democracy not bureaucracy.

• • •

Dr. F. A. Gaby

Vice-president, British American Oil Co., Toronto.

I am fully in accordance that wartime controls should be lifted as soon as practicable, having regard to the reconstruction programme and its success. During the war government control is necessary, and the state has assumed responsibilities far in advance of those in the past.

Business men had accepted these measures but they look for considerable modification after the war if we are to go forward in our industrial and economic structure, and to enable us to take advantage of the tremendous technology that has been made available to industry during this war. There is no question that a reorientation of many controls is desirable to enable business to swing smoothly into the peacetime task.

• • •

Frank E. Halls

Vice-president, Carter, Halls, Aldinger Co., Winnipeg, and well known in western construction and financial circles.

We recognize that wartime restrictions and controls are necessary for the all-out effort we must make in this war. But to get the fullest support and co-operation from the citizens it would be well if the government would give immediate and definite assurance that the restrictions and controls would be discontinued as soon as practical after the war.

John Howey

Editor, The Bulletin, Edmonton, Alta.

Canadians are not totalitarians. They assume, and have a right to assume, that as a matter of course wartime restrictions and controls will be relaxed and progressively discarded as the conditions which made them necessary cease to exist. It should not be necessary for the government to announce that this will be done. But the announcement could do no harm whether needed or not.

• • •

W. C. Hubbell

Mayor of Chatham, Ont.

Public co-operation would be improved and morale of business enhanced, with some definite announcement from the government of Canada as to what the future holds and definite assurance regarding the easing of wartime controls and restrictions after the war. Regardless of mistakes, which were unavoidable to some extent, I consider the government has done a wonderful job and trust they will continue to forget political and personal considerations until Canada is in shape to resume normal conditions.

• • •

John Jennings, K.C.

Senior member, Jennings & Clute, barristers, Toronto, and prominent in industrial and financial circles.

In my judgment the entrenchment of a bureaucracy to regiment and regulate the free enterprise and free action within the law of Canadians must not be permitted for any longer than is essential for the well-being of Canada as a whole. It follows that in my judgment, these restrictive regulations should be terminated as quickly as possible when the war is concluded.

It is, however, my understanding that the Government has always made it clear that these restrictions are solely for the purpose of prosecuting the war and are not to become a permanent part of our economy. I do not desire to be considered a "prodder," believing that our Government has with conspicuous honesty and ability striven for the best Canadian war effort, and may be assumed to know the essential facts better than I.

• • •

T. Ashmore Kidd

Former speaker, Ontario Legislature, prominent Conservative, Kingston.

Since the war began the people of Canada have been much alarmed over the principle of government by order in council. They have not hesitated to submit to any regulation or respond to any demand placed upon them. They have given liberally of their means, in order that the government may have the necessary funds to carry on, and all this in spite of the fact that it is a purely partisan administration. The people have always been ahead of the government and have shown their belief that only a total war effort is worthy of our country. They will submit to regimentation for war to defend democracy, but will not submit to any enroachments upon their rights after the war is over.

• • •

E. Ross MacKay

Associate editor, Daily Star, Sault Ste. Marie, Ont.

Yes. The government should give immediate assurance that wartime restrictions and controls will be lifted as soon as possible after the war. This should be done to ease the growing feeling that bureaucratic regulation, once established, will not be easy to break down.

In the complicated structure of modern life it may be impossible to do entirely without regulation of some sort, but it should not go beyond the "traffic control" stage and a policy should be clearly set forth until which, in Kipling's phrase, the individual will keep the ancient right of "leave to live by no man's leave underneath the law."

• • •

W. L. MacTavish

Editor, The Province, Vancouver, B.C.

Assuredly the government should give early and definite assurance that wartime restrictions and controls will be lifted as soon as practical after the war. Some controls, like censorship and arbitrary direction of labor to specified occupation, should be lifted as soon as the last gun is fired.

It will be necessary no doubt to retain in some degree controls governing equitable distribution of food and materials and goods essential to the recovery of peacetime business, but the trend should be toward rapid escape from shackles that are irksome to the public even in wartime and would be quite intolerable when the war is over.

• • •

E. H. Sands

Secretary, New Westminster Board of Trade, New Westminster, B.C.

The caption "wartime restrictions and controls" implies emergency and temporary legislation. In this connection, however, there may be certain features relative to measures so enacted which it might be found advisable to continue in effect either in full or in modified form during the postwar readjustment period.

Such matters which affect Canada in its trade relations and/or tend to retard general business should receive prompt attention by the government in an endeavor to bring about normal conditions as soon as possible after the war, but no attempt should be made to impose arbitrary or capricious restrictions upon the government. Full co-operation should be accorded as well as requested.

• • •

E. A. Saunders

Secretary, Halifax Board of Trade, Halifax, N.S.

It is generally recognized that present restrictions and controls are not democratic but necessary, and are so accepted as a war measure so that material and manpower may be used to best advantage. These restrictions are opposed to the form of government for which we are fighting and the government should announce a complete undertaking and assurance that as soon as practicable after the cessation of hostilities these restrictions and controls will be lifted and that we will be permitted to return to our accepted form of democratic government.

• • •

H. R. Stephenson

General manager, Crown Life Insurance Co., Toronto.

The answer is yes subject to the proviso that any improvement of peacetime controls which can be learned from experience in operating controls during the war, should not be neglected.

Britain's Timber Controller Visits B. C. Lumber Area

From Our Own Correspondent

VANCOUVER. — British Columbia's lumbermen have been conferring during the past week with Britain's wartime timber controller—brisk, aggressive Major Archibald I. Harris, who came to the west coast to see for himself why production has been lagging this year and how it can be restored to meet the ever-mounting demand.

Major Harris said that British Columbia seemed to be almost one-third below required production and while this might be attributed in part to shortage of men he felt sure that more co-operation and ingenuity on the part of operators would help bridge the gap.

Aircraft Spruce

He said that Britain had accomplished near-miracles in conserving available timber supplies, but that requirements next year would be even greater than in 1942. He is chiefly interested in getting spruce for aircraft.

"It is established now that some of the finest first-line planes in service for the United Nations are made of British Columbia spruce," he said. "The successful Mosquito plane is a striking example."

Major Harris told how manufacturing facilities in Canada and the United Kingdom had been expanded for production of wooden planes, and he pointed out that it would be difficult to revise this set-up now to make more metal planes even if metal was more plentiful.

"The plain fact is that we must depend on British Columbia and the Pacific Northwest states for production of Sitka spruce, the only wood we have found so far that will meet all requirements of the plane programme," he said, adding that experiments were now being made with other species of northwest timber—hemlock and fir—for aero purposes.

Try Fir and Hemlock

"If fir and hemlock are found suitable for planes it will be necessary to redesign present plans because of the technical differences in weight and other qualities. We are accumulating stocks of these alternate woods now, but at present spruce is in principal demand and your ability to produce such a vital commodity places a very grave responsibility on the industry. From the standpoint of war industry there is nothing more important today than accelerated production of aircraft spruce."

Beef Shortage Looms Ahead For Winter

See Farmers Likely to Hold Cattle in Barns for Higher Spring Prices

Canada is heading into another beef shortage—one that may not ease until the spring, according to meat packers consulted by The Financial Post. Price ceiling regulations which were designed to prevent recurrent beef shortages may well work in reverse during the winter months to leave beef in scarce supply.

During the past few weeks cattle have been coming to market freely, but it is generally accepted by the industry that this movement has represented the surplus that the farmers would not have been able to get into their barns for winter feeding. This week saw the virtual end of keeping cattle on grass. With onset of colder weather most cattle have now been moved into shelter for the winter.

Winter Price Increase

During the winter months, under the recently amended price ceiling regulations, there will be a step-by-step price increase for cattle. As an example, price for the Toronto zone currently is $17.25 a hundredweight; on May 27 the price will have worked up to $19.50.

With that price advantage assured him, it is argued that the farmer won't be interested in sending his cattle to market before the spring. Most farmers appear to have plenty of feed to take care of their stock and most of them do not appear very hard pressed for cash. These factors plus the guaranteed market price add up to the logic of holding back cattle for the higher price level. Runs of cattle to market are already reported to be lighter.

Poultry Plentiful

Plentiful poultry conditions will help to take up some of the scarcity, but it is not expected to get beyond the just helping stage. Pork products will likely continue in relatively scarce supply for some time.

TRAINING IS IMPORTANT

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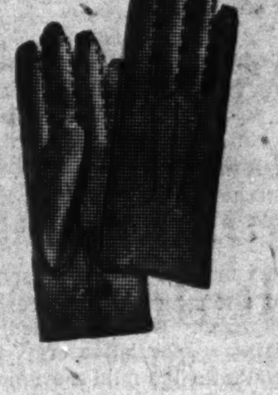

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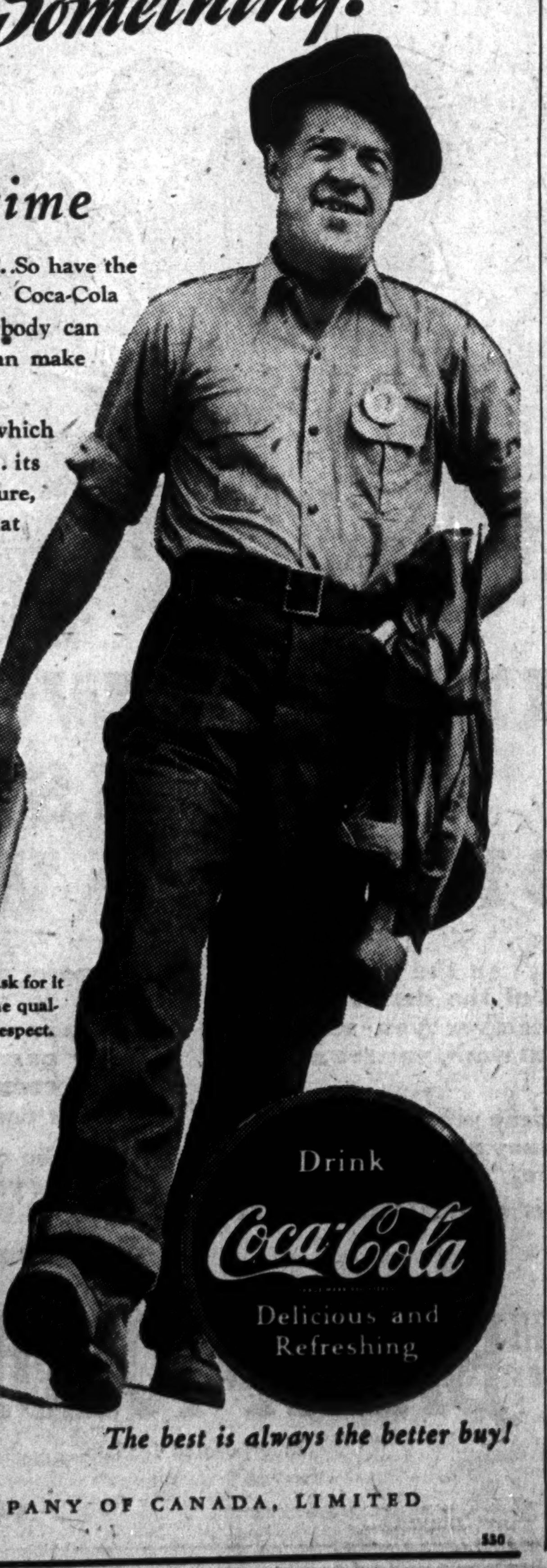


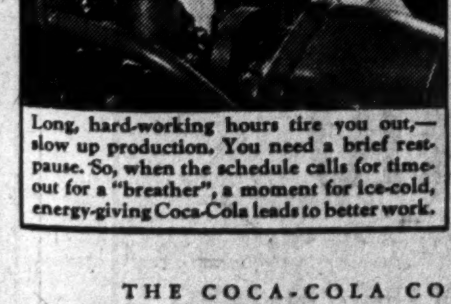
SKILLED workers have "know-how". So have the makers of Coca-Cola. That's why Coca-Cola has that extra something. Almost anybody can make a soft drink, but nobody else can make Coca-Cola.

There's a finished art in its making which gives Coca-Cola a special quality... its unique taste comes from a blend of pure, wholesome essences,—refreshment that can't be copied.

No other drink gives this special plus ...this unique taste and after-sense of refreshment. People have come to realize that nothing takes the place of Coca-Cola. To want refreshment is to think of ice-cold Coca-Cola. Contentment comes when you connect with a Coke.

* * *

Wartime limits the supply of Coca-Cola. Those times when you cannot get it, remember: Coca-Cola, being first choice, is the first to go. Ask for it each time. No matter how short the supply, the quality of Coca-Cola will not be changed in any respect.



Long, hard-working hours tire you out,—slow up production. You need a brief rest-pause. So, when the schedule calls for time-out for a "breather", a moment for ice-cold, energy-giving Coca-Cola leads to better work.

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The "Bull" Market Question

By ARTHUR D. ELLWOOD

Is this the beginning of the long-awaited "bull" market in stocks?

Or are upward moves noticeable on stock exchanges in Canada, Great Britain and the United States only a "flash in the pan," merely an interruption in the long and dreary "bear" market that has prevailed almost since the war started?

Opinions can be found readily to support both sides—well argued and convincing. Herewith The Financial Post summarizes some of the more prominent pros and cons.

Against Higher Prices

Believers in a continued "bear" market stress recent victories as only "the end of the beginning" and look to the magnitude of the task ahead before victory is attained. They do not look for an early end of the war.

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They argue we must expect bad news and with it a turn in the easily altered attitude of the general public. In other words, they expect reactions, fear a resumption of the longer downtrend.

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They also fear a postwar slump in business which would be brought measurably closer if an early end to the war is admitted.

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Taxes may be at or near their peaks in Canada and Great Britain but, it is argued, on a comparative basis, taxes in the United States still have a long way to go. Thus the impetus from the United States may be weakened when a new tax bill comes up early next year.

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Taxes have also placed a ceiling on earnings—actual in Canada already and in close prospect for the United States. Consequently, except on a speculative basis, there is a corresponding ceiling on stock prices. But there is no floor, nothing to prevent earnings in some companies from dropping. Consequently, it is argued, it will be easier for stocks to go down than up.

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The war is likely to last for some time, perhaps several years, some of the "bears" claim. Already many peacetime industries have felt the pinch of the shift to war. It is claimed there will be further casualties in industries not equipped to shift to war production. In addition many businesses, such as retailers and wholesalers, are going to find it hard to keep an adequate stock of goods.

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Some suggest that it is unwise to underestimate the pressure of patriotic appeals in channeling available capital into war bonds instead of into the stock market. They point to the stabilized bond market in contrast with the far from stabilized stock market and suggest that many people will find the former more attractive. At any rate, they maintain that the stock market is going to find it hard to compete with the sale of Victory Bonds.

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One point frequently made is that any marked upsurge in speculative activity would bring prompt and strong measures to curb it from governments, particularly at Washington. While admittedly a factor in restraining anything approaching a speculative orgy, this may not impress many people when related to the mild movements prevailing today.

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To make a strong stock market today, it is often claimed, requires the discovery of an entirely new set of investors. Those who have money today are so crippled by taxes and other obligations that they have little left to use in capital markets. The question is where is this new crop of investors going to be found. National incomes, it is true, are at record levels. But the higher incomes are in the hands of people generally who have never been accustomed to buy stocks and who show little inclination to do so. They will buy government bonds but in other respects cannot be classed as "investors."

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Finally, it is argued, that postwar technological developments may bring new products and methods but they are also likely to bring new business casualties. The pessimists would like to know who is going to bring out the products the public will accept after the war, the new product that is going to lead the country to a new higher level of prosperity. They feel that, whatever happens, there are going to be many shifts in products and companies from the standpoint of their public acceptance and consequently their earning power and investment status.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
(Base 1935-39=100)												
*1935 to date:												
High	134.5	234.4	149.7	123.7	135.7	118.3	128.3	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.3	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1942: Monthly Figures:												
Jan.	74.3	71.9	74.5	45.9	112.8	88.7	99.2	75.1	64.4	91.1	70.4	66.8
Feb.	73.4	69.3	69.7	43.6	108.7	85.5	96.3	73.9	62.1	91.1	67.7	64.7
Mar.	69.7	66.1	70.9	41.2	104.3	75.8	92.8	74.0	62.0	89.4	67.5	62.3
Apr.	70.6	63.3	69.6	41.4	102.4	74.2	93.1	73.9	60.2	88.4	66.3	61.1
May	74.7	61.1	70.5	43.2	104.3	73.5	94.2	75.7	60.7	87.4	66.4	62.0
June	76.2	61.1	69.6	44.5	106.6	73.9	93.6	76.8	64.3	87.7	68.1	62.8
July	78.6	58.9	65.3	46.6	100.4	75.9	95.5	75.3	65.2	81.7	67.8	62.4
Aug.	76.0	56.0	61.2	47.5	97.7	75.3	98.3	73.1	66.9	71.9	67.8	61.6
Sept.	77.9	55.9	62.0	49.0	99.8	74.2	98.7	71.2	67.1	69.0	69.2	62.6
1942: Weekly Figures:												
Oct. 1 ...	79.3	57.7	65.1	48.7	99.6	75.3	101.6	71.4	67.1	69.6	71.4	63.6
Oct. 8 ...	81.2	58.5	63.5	51.5	100.7	74.0	99.2	71.1	68.0	70.0	71.9	65.3
Oct. 15 ...	80.1	58.7	65.4	50.7	99.0	73.9	101.6	71.3	69.2	70.4	72.5	65.4
Oct. 22 ...	79.7	56.8	65.1	50.6	99.2	74.6	96.8	70.8	67.3	70.4	71.4	64.6
Oct. 29 ...	80.0	57.0	65.6	51.1	99.3	73.5	98.0	70.1	67.0	70.2	72.1	64.8
Nov. 5 ...	81.5	57.2	66.0	52.2	99.4	73.8	101.7	71.5	68.2	71.1	75.1	66.2
Nov. 12 ...	82.0	62.8	71.0	53.9	99.8	75.5	105.4	73.8	70.5	71.5	76.6	67.6

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Nov. 17	92.43	61.03	62.26	16.12
Nov. 16	92.53	61.20	62.78	16.16
Nov. 14	82.81	61.79	62.90	16.09
Nov. 13	92.82	61.68	63.13	16.11
Nov. 12	92.78	61.11	62.73	16.18
Nov. 11	93.10	62.67	63.14	16.17
Month ago .	88.15	50.52	61.40	15.87
Year ago ..	94.54	89.32	68.45	19.77
High 1942 .	93.50	83.71	71.01	19.86
Low 1942 ..	79.85	50.16	58.74	15.44

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Nov. 17 ..	45.5	58.2	54.0	60.09	42.76
Nov. 16 ..	45.4	57.9	53.7	59.50	42.59
Nov. 14 ..	45.3	58.0	53.8	60.17	42.66
Nov. 13 ..	45.5	57.7	53.7	60.17	42.68
Nov. 12 ..	45.5	58.1	53.9	59.29	42.09
Nov. 11 ..	45.6	58.3	54.1	60.47	41.12
Month ago	44.3	55.4	51.7	53.64	34.92
Year ago .	44.0	61.1	55.4	77.71	59.64
High 1942	45.6	60.5	54.7	77.18	54.82
Low 1942.	39.6	53.5	49.8	47.98	33.47

Fighting Dollars

Canadians, through their subscriptions to the recent Victory Loan, have placed nearly one billion dollars on active service; tangible indication of the fighting spirit and the 'will to win' of the people of the Dominion.

Though these Victory Bonds represent fighting dollars today, the time will come when they will be peacetime dollars. Then they will constitute a helpful purchasing power, readily available to provide for needs when war is over.

Victory Bonds are backed by all the resources of Canada — hold on to them!

NESBITT, THOMSON
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In Favor of Higher Prices

Granting that basic conditions existed which justified higher stock prices, argue those looking for higher stock prices, then it can also be accepted that spectacular victories in Africa, better news from the South Pacific and failure of the German armies to smash the Russian armies touched off the recent upward movement. There is the recognized fact of rapidly growing Allied might, in both the equipment for war and the trained men to handle it. There is the often reiterated claim that the Allies are now out-producing the enemy on all fronts.

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There comes also a strengthening of the views that perhaps the end of the war is not as far away as seemed to be the case a few weeks ago,

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Taxes have largely accounted for the restrained attitude of investors everywhere. In Canada we have seen successive war budgets bring higher imposts and, until the latest, no suggestion that the limit had been reached. But we now have the suggestion that the upper limit in taxation is here. Britain did not make any important changes in tax schedules in its last budget and it is more than possible that Canada will not make many changes next year either.

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High as the prevailing rates are, they do not mean the elimination of earning power and that dividends are going to continue.

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Those thinking ahead toward the end of the war are already allowing in their investment policies for some easing of tax burdens, although probably recognizing that taxes are likely to remain high for years to come. They are favoring securities of companies likely to gain from the war's end.

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Looking through latest reports suggests that high rate of production and sales means continuation of a good level of earnings for many, perhaps a majority, of companies. Companies turning out war materials and there are few that are not doing this today—are faced with a problem of achieving a high enough level of production. Their profit margin in war work may be smaller than their peacetime average but there are compensating factors. Sales efforts, for example, are practically eliminated and there is little or no credit risk when the government is the customer.

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There have been some reduced dividends, it is true, but on the whole this year is going to see a level of dividend payments which will compare reasonably well with recent years. The dividend index to be found on page seven of The Post each week shows this to be the case. Certain groups, such as the banks, have announced reductions but many other companies are making good progress in paying off accumulated arrears and most are holding payments at prevailing levels.

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The postwar world, argue those leaning toward optimism in their attitude toward the stock markets, is going to be called on to fill a huge demand for goods not being made in wartime. Examples are not hard to find. They range from automobiles to houses, covering a wide range of household appliances on the way. There is deferred maintenance on the part of our cities and towns and of our industrial companies. There is development of natural resources—hydro-electric, forest and mines.

There is, they say, every indication of a huge export demand from the war shattered countries of the world. These will have to be fed—using up our surplus foods. They have to be rebuilt—providing a market for our lumber and our steel.

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There is, moreover, the stated policy of our leaders to assure a level of national income which will provide a chance for all to make a living. This in itself, say the optimists, means good times after the war.

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British stocks are now well above the level prevailing at the beginning of the war. From the low of June, 1940, to recent levels, represents a gain in the industrial share index of about 75%. Contrast this with what has happened in Canada and the United States where stock market indices are still well below pre-war levels.

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Stock market action in Britain may be attributed to several things. Not the least of these is the attainment of a high level of national income coinciding with a marked reduction in the number and amount of goods which can be bought. Rationing and reductions in civilian industries to a bare minimum has removed most of the natural channels for employment of the enlarged national incomes. In spite of record-breaking war loan subscriptions and peak taxation, there is still a substantial surplus of income looking for employment. This surplus is augmented by the effects of repatriation of Canadian securities formerly held in Britain as well as those of South Africa, India and the United States. Result is that capital has turned to practically the only non-rationed source of employment—the stock market.

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To date this list of factors has not been very important in Canada or the United States. National incomes are higher but repatriation has worked in reverse to its effect in Britain. Civilian goods have, at least up to now, been generally available on a high scale. But this happy condition is lessening. More and more we are restricting the ways in which money can be spent—but the stock market provides one of the few outlets left.

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In Canada capital gains are tax-free. In the United States they are taxed but the latest tax bill brought important easing of these restrictions. Market profits are consequently one of the few ways left in which earnings are retainable, hence the attraction of the market is enhanced.

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For a long time it has been apparent that the contrast between the returns available on good stocks and those to be obtained from high grade bonds has been at record levels. Dominion bonds yield 3% or less. But a long list of seasoned stocks can be bought to yield from 5% to 10%, even at today's prices which are well above the lows.

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The optimists mention other points. They list, for example, a leaning of general opinion toward the likelihood of a continuation of a system of "free enterprise," even though modified to a certain extent. They believe that wartime controls will be relaxed. Probably very few of the more thoughtful want anything approaching the old time boom, recognizing the inevitable reaction that comes. Rather they want some assurance of stability in which they can make long-term plans—and think they see a good chance of getting it.

Newfoundland Shows Surplus

Has Advanced $6.1 Millions to U. K. as Non-interest Bearing Loan

Newfoundland revenues continue to show a sizeable surplus over expenditures, the October surplus totalling $610,865 as compared with $815,563 in Oct., 1941. For the first four months of the current fiscal year surplus amounted to $4.6 millions compared with $2.7 millions for the same period a year ago.

During October a further $1 million was transferred to the United Kingdom government as a temporary, non-interest bearing loan. The total so far advanced amounts to $6.1 millions, exclusive of advances from the proceeds of sale of war savings certificates.

	1942 $	1941 $
October		
Revenue		
Customs	1,421,491	1,483,152
Post & teleg.	104,824	88,830
Assessor	177,193	86,411
Nat. resources	11,845	9,710
Other rev.	112,876	103,520
Total	1,828,229	1,771,623
Expenditure		
General	1,217,364	956,060
Surplus	610,865	815,563
First Four Months		
Revenue		
Customs	7,295,779	5,232,128
Post & teleg.	445,511	313,047
Assessor	884,210	411,721
Nat. resources	47,694	67,058
Other rev.	413,141	345,953
Total	9,086,335	6,369,907
Expenditure		
General	4,407,237	3,613,804
Other	......	2,842
Total	4,407,237	3,616,646
Surplus	4,679,098	2,753,261

The Shareholder

"**Dividends declared**" has for many years been a weekly feature of The Financial Post, and, as it turns out, one of those features which only begins to assert its value when changes are made. A few weeks ago The Post, in an effort to save space and paper, altered its quotation page, including its method of presenting "Dividends Declared." Previous policy had been to make this list a cumulative one, including each week all dividends actually declared but not yet paid. This meant that some payments would appear in successive issues, the number depending on the time elapsing between date of declaration and date of payment.

The only change made was to eliminate the cumulative feature of this column, showing only the dividends actually declared during the week. Reaction of readers was quick and emphatic. They valued the former service and asked if it could be restored.

The Post is glad to accede, and beginning with this issue the former type of cumulative list of dividends will appear again in its usual place on the quotation page.

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Guelph Carpet & Worsted Spinning Mills has disappointed its shareholders by the announcement that the annual dividend is to be reduced from $1.50 a share to $1 a share in a year when net profits are equivalent to $3.42 a share, working capital is well maintained, and bank loans repaid. The reason given for the lower dividend is a desire to maintain a strong liquid position plus establishment of the company's excess profits tax base at a level which, allowing for the 100% EPT, will permit it to retain only about $53,600 at most. This would be equivalent to $1.53 a share on the common, suggesting a coverage of next year's dividend at a $1 rate by a good margin if operations are held at current levels. This is another example of the workings of EPT and its effect on earnings.

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Imperial Varnish & Color's shareholders received a valuable interpretation of the company's earnings position under current wartime tax scales at the recent annual meeting. Mr. Monypenny, the president, made clear that an effective ceiling had been placed on profits at a rate which would permit reasonable coverage of both preference and common dividends. He gave actual figures for the company's excess profits tax base and translated these into terms of earnings available for the shareholders. This is a type of interpretation which should prove most valuable to investors interested in any securities and one that it is to be hoped shareholders of other companies will also hear from their directors. It goes a long way toward removing the uncertainty that wartime conditions necessarily bring for investors.

Market Opinions

Noticeable in stock market comment this week is a note of caution, suggesting that the immediate future may see little further upward progress.

Magazine of Wall Street, N.Y.—Though the market is still in "moderate" territory, we don't see any wisdom in getting more and more bullish the higher it goes. Reactions have not been abolished. We don't believe investment buyers will miss anything by waiting for once. We believe that at some time within coming weeks the averages will be lower than now, possibly by a goodly extent. We believe the extreme lows were seen last spring for the duration of the war; we think war stocks are a sale on strength—such as right now—and that sound non-war stocks are a buy on the reactions.

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Barron's, N. Y. (The Trader)—Of late weeks the advance of the market has been quite laborious. In well over a month the industrials have managed to gain only about 1½ points. . . . It may well be that a period of hesitation or readjustment is in the making and will permit of the accumulation of buying power sufficient to overcome the lethargy of capitalistic investors and the caution of investment trusts. For the long pull, however, the liberal yield of stocks, safeguarded by raising earning power in most instances, and cushioned in 1943 by the strong relief provisions of the 1942 tax bill, are bound in due course to elevate a market, which at a time when the tide of war has finally turned for the Allies, is still below its pre-Pearl Harbor level.

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Barron's, N.Y. (The Dow Theorist)—This combination of high volume with little change in prices often marks the top of an advance. These factors bode no good to the market, at least for the near future. Profit-taking represents selling by people who were smart enough to buy when prices were lower. Maybe they're still smart.

C.P.R.
Noranda

November issue of our Notes on Securities, reviewing general financial conditions, makes special reference to the above Companies.

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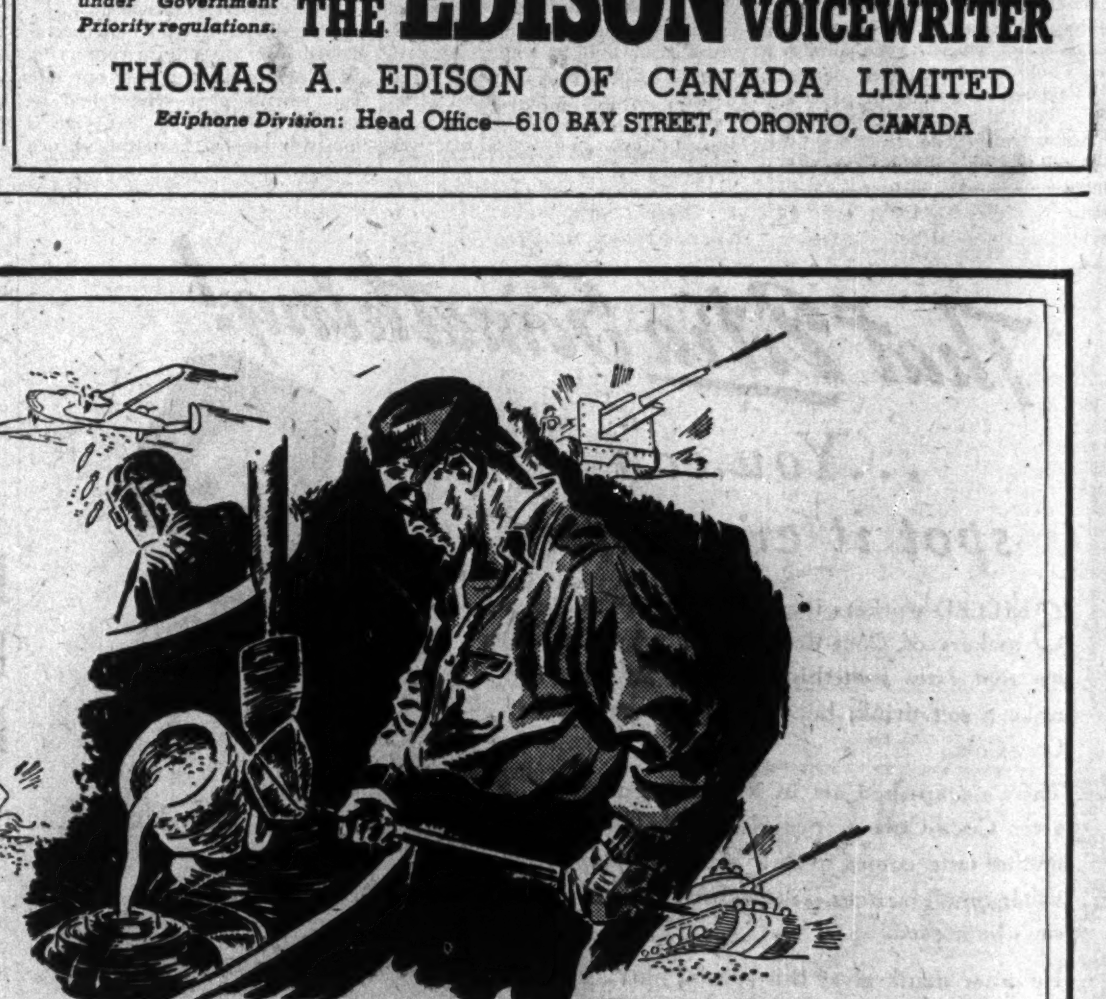

MEN AT WORK MEANS MONEY AT WORK

LABOUR . . . on the road, in the factory, at the desk . . . costs money. Wherever you see men and women at work, you see money at work.

Under wartime conditions, both men and money must work harder, produce more.

The facilities of this Bank are at the disposal of credit-worthy firms desiring to put more money to work—to further the war effort, to simplify current financing, to arrange necessary expansion or for any other deserving purpose.

We shall be glad to have you call and discuss your financial problems with us.

THE BANK OF TORONTO
Incorporated 1855

Advertising Views Its War Job

International Conference Highlights an Important Business

By ROBERT C. STARK

The place of advertising in a world at war, and how advertising can best work for victory, were discussed at the International Wartime Advertising Conference, held in Toronto for three days last week. Under direction of the Association of Canadian Advertisers, this was attended by 500 delegates from Canada and eastern United States.

Highlights were the stress laid on the need for better relationships between labor and management, and the emphasis on the forthcoming National Nutrition Programme.

Press Revenues Shrinking

I. D. Carson, manager of Canadian National Newspapers and Periodicals Associations, emphasized the importance of a well-sustained and potent press in wartime. He declared that under normal conditions, advertising revenues are sufficient to meet rising editorial and mechanical costs. In times like these, this source of revenue is shrinking rapidly and must, somehow, be safeguarded if the press is to survive. Advertising volume has been seriously curtailed, with losses particularly heavy in those fields that have been most influenced by the war. These losses have not been restored by gains in other directions.

Price Ceiling Discussed

W. F. Prendergast, director of the Wartime Prices and Trade Board Information Branch, reported that since institution of the price ceiling the cost of living in Canada had advanced some 2%, meaning an extra $70 millions on our war bill. It was estimated that if prices had been left unchecked, living costs would have advanced 20% since Dec., 1941, which would have meant an additional $700 millions on the war bill.

Lauds Advertising

Mr. Prendergast declared that there is a large degree of essentiality in advertising, printing and publishing. He said:

"So far as advertising goes, I have considered it an essential instrument in the work of the Information Branch of the W.P.T.B.; I do not know how otherwise we could have succeeded to the degree we have in informing the public about the unavoidable intricacies and complexities of some of the regulations, such as rationing, that affect everyone.

Winners of Advertising Awards

Awards for the most outstanding contributions to Canadian advertising were made last week at the annual dinner of the Association of Canadian Advertisers. Left to right the recipients were: T. L. Anderson, who received on behalf of the late Harry Cockfield the gold medal for the most distinguished service to advertising; F. I. Ker, editor and managing director of the Hamilton Spectator, silver medal for outstanding media executive; Jack A. MacLaren, president of MacLaren Advertising Co., silver medal for the outstanding contribution by an advertising agency; and Ivor Lewis, of T. Eaton Co., silver medal for distinguished service by a commercial advertising executive.

Advertising as the promoter of enlarged sales volume, as the hand-maiden of a rising standard of living, will of necessity retire for the duration, because civilian production and living standards must both decline; but you know better than I that these are not the only functions of advertising.

"Advertising, as an adjusting and stabilizing medium is an important instrument in a total war effort and as such has certain clean-cut duties. Among these are: to inform consumers of conditions affecting their buying habits, such as government regulations, availability of supplies and the background of these conditions so that there may be a fuller understanding with an attendant curtailment of panic buying and hoarding."

Mr. Prendergast stated that the arts of printing and publishing have contributed more to human progress than any other. However, advertising, printing and publishing could not be immune. "It is inevitable," he said, "that without a shadow of a doubt. That, so to speak, was a by-product of the advertising, but a very important and valuable contribution to the total war effort."

D. B. Chant, of the industrial relations division of National Selective Service, pointed out that the advertising business is particularly fitted to bring home to workers the importance of their efforts, creating understanding and co-operation at a time when it is most needed.

Management's Responsibility

B. A. Trestrail, production coordinator of John Inglis Co., speaking on "Management's Responsibility," expressed the opinion that labor at times was more inclined to take up new ideas than management. His company, through a recent drive, had been successful in substantially reducing absenteeism.

Thomas F. Joyce, of Camden, N.J., vice-president of RCA Manufacturing Co., speaking on "Industrial Morale as an Aid to Victory," said labor and management are as long as the war lasts we shall all suffer further restrictions, privations and hardships and I cannot see how some mortality can be averted."

Victory Loan Advertising

On the part that advertising played in the Third Victory Loan, H. H. Rimmer, advertising manager of Canadian General Electric Co., reported that the government's advertising cost the country only about one tenth of a cent for every dollar subscribed. This covered all forms of publicity. In co-operation with government advertising there was a tremendous volume of contributed advertising from Canadian trade and industry. Mr. Rimmer declared:

"Advertising in Canada had its supreme test during the past five weeks. In that brief period advertising helped to produce sales of roughly a billion dollars, which is possibly three or four times the volume done by an individual business in this country in a year.

"The five weeks' blitz did more than raise the money. It also raised the morale of the nation, closer together than some generally believe."

"A Production Drive in a Canadian Plant," was reported on by J. C. Wilson, vice-president of Thompson Products Ltd., assisted by W. E. C. McCauley and G. C. Davidson. This St. Catharines company has been carrying on an extensive campaign to familiarize its employees with the fact the plant was on 100% war production and stressing the importance of their production. Introduction of the competitive spirit between different departments has played a major part in the drive.

J. K. Hough, director of advertising of Goodyear Tire & Rubber Co., Akron, spoke similarly on a production drive in an American plant.

Nutrition Campaign

In January, a Dominion-wide nutrition campaign will get under way, the A.C.A. having already played a large part in mapping out promotion. Dr. L. B. Pett, director of Nutrition Services, Department of Pensions and National Health said the statement has been made that in the Canadian dietary surveys about 40% of the people studied were adequately nourished, 40% were in a border-line state, and 20% were seriously undernourished. From various calculations, Dr. Pett has arrived at an estimate of nine million man-days lost through preventable illness in Canadian industry annually, equivalent to the time needed to build 2,000 bombers. He cited the fact that in one Canadian plant there were 27% fewer first-aid treatments after installing a lunch room.

Miss Ruth Ransome, field supervisor for Nutrition Services, outlined how the government cooperates in setting up plans for dispensing nutritional foods in war plants.

Also discussing various phases of the nutrition problem in industry were Dr. H. E. Robinson, of Chicago, supervisor of nutrition research for Swift & Co.; E. A. Lowden, merchandising manager of Canadian Westinghouse Co.; R. J. Caniff, of Evansville, Ind., advertising and sales promotion manager of Servel Inc.; and C. B. Kenney, advertising manager of William Wrigley Jr. Co.

The greatly expanded needs for power under wartime conditions were brought home by a moving picture, "Wardens of Power," shown by M. J. McHenry, sales promotion manager of Toronto Hydro-Electric Power Commission.

Other speakers heard by the conference were Dr. Miller McClintock, of New York, executive director of the Advertising Council; Chester J. La Roche, of New York, chairman of the Advertising Council; H. S. Van Scoyoc, advertising manager of Canada Cement Co.; T. G. McReynolds, advertising manager of Colgate-Palmolive-Peet Co.; G. Douglas Scott, advertising manager of E. B. Eddy Co.; Maurice Brown, president of the Poster Advertising Association of Canada and Walter Brown, chairman of the Canadian Radio Research Committee.

Prime Factor in Business Is Good Management

War conditions have not been the principal factor in recent business closings, W. Frank Prendergast, director of information branch, Wartime Prices and Trade Board, told the International Wartime Advertising Conference in Toronto last week. Prime cause, as in peacetime, has been bad management.

An analysis of 400 recent business closings has disclosed the following factors in relation to going out of business:

	Percentage of Closings
Bad management	21
Illness or old age	19
Enlistment and war work	19
Other civilian employment	18
Labor shortage	4
Price ceilings	4
Various	14

These factors total 111%, due to the fact that in some cases more than one reason for closing was given.

The Bondholder

Corporate bond prices generally displayed a somewhat firmer tone during the last few weeks, with a broadened trading interest evident. This condition was largely attributed to return of bond men to their trading desks after absence on Victory Loan work. Some of the trading talent, however, is still out in the field. The enthusiasm engendered by the smashing loan success has apparently carried over to some extent into ordinary bond trading.

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War Savings Certificates and stamps are being pushed as a follow-up to the Victory Loan's success. Postmasters have been instructed to intensify war savings campaign promotion while use of certificates and stamps for Christmas gifts is being stressed. The National War Finance Committee has produced Christmas greeting cards in two attractive styles for savings stamps, and two others for certificates. These may be obtained free at any post office or bank.

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King Edward Hotel distribution on its 7% bonds may go through next week, according to present indications. Clearance from Ottawa has been secured on the move and a court order is expected in a few days. This will be the final step necessary before actual distribution.

• • •

Northern Ontario municipalities, hit by reduced gold mining activity, have carried their cases to Ottawa. Main proposals made were that Dominion subsidies should be paid to gold mining municipalities; war industries should be established in gold mining centres; and that use should be made of available Northern Ontario housing for soldiers' families. Finance Minister Ilsley promised careful consideration of these proposals.

The brief prepared by the municipalities of Kirkland Lake, Timmins, Larder Lake and the townships of Teck, Tisdale and Whitney said:

"Unless assistance is granted to us there is no question but what our municipalities will sooner or later have to fold up."

• • •

Interest rates may be expected to firm somewhat throughout the world, according to the annual report of the Bank for International Settlements. While the constant expansion of national debts causes most governments to have a vested interest in low money rates, the bank feels that a reaction has developed generally "against too low interest rates."

A firming of rates is favored to encourage savings, since a capital famine will develop in many countries after the war, when reconstruction will have to be financed on an enormous scale.

DOMINION OF CANADA
BONDS

BELL, GOUINLOCK & CO.
LIMITED

MONTREAL TORONTO WINNIPEG

WABASSO COTTON APPOINTMENTS

W. Taylor-Bailey, a director of Wabasso Cotton Co., who has been appointed to the executive committee. At the same time it is announced that Hugh Mackay (right), president of W. C. Pitfield & Co., has been elected to the board. Mr. Taylor-Bailey is vice-president and general manager of Dominion Bridge Co.

Company Reports

Sherbrooke St. Realty

Revenues of Sherbrooke Street Realty Corp. were on a slightly lower basis in 1941. During the year the building was rented to 88% of capacity and income totalled $109,889, as against $112,084 the year before. After all charges there was a deficit of $2,226, compared with a surplus of $73 in 1940. During the year $25,000 of bonds were retired, while the company accumulated an additional $13,500 for cancellation.

Sherbrooke Street Realty owns and operates the Medical Arts Building, Montreal.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Gross income	109,889	112,084
Less: Admin. exps.	10,212	60,752
Building expenses	51,874	
Taxes	15,948	16,030
Depreciation	13,698	13,740
Add: Interest acct.	780	715
Net revenue	18,936	22,131
Less: Bond interest	20,072	20,771
Income tax res.	......	25
W/o bad debts	1,090	1,408
Loss for year	2,226	*73
Previous deficit	809	1,982
Add: Bond disct.	1,100	1,100
Deficit forward	4,135	809

*Surplus.

Imperial Varnish

Imperial Varnish & Color Co. reports lower profits for the year ended Aug. 31, 1942, than in the previous year, due largely to heavier taxes. About half the company's output goes directly and indirectly for war purposes, states T. F. Monypenny, president. It has been able to meet difficulties of raw materials and labor in a "reasonably satisfactory manner."

At the annual meeting, Mr. Monypenny told shareholders that the average profits for the four base period years under excess profits taxes amount to $80,674. On the basis of a tax schedule which permits the company to earn not more than 70% of its pre-war base period average, this means that shareholders on the present earnings basis cannot expect to see more than $56,472 available for dividends until after the war. This is equivalent to 3.5 times the preference dividend requirements and 75 cents per common share. If the earnings fall below $94,120, which is 116 2/3% of its base period profits, it will only be able to retain 60% as distributable profits. He concludes that:

"It is quite evident that in setting up the excess profits tax the minister had in mind protecting successful business organizations to the extent of at least sufficient funds to pay their shareholders reasonable dividends on their investments, and provided we continue to earn our base rate of profits, or better, our regular dividend rates on common as well as on preferred, would seem to be well protected."

The company is paying a bonus of 10 cents a share on its common on Nov. 20, making a total of 60 cents a share to be paid for the past year compared with 50 cents for the previous year. It now has an inventory reserve of $100,000 and shows estimated postwar excess profits tax refund at $4,203 completely covered by a special reserve.

Income and Surplus Account
Years Ended Aug. 31

	1942 $	1941 $
Net earnings	267,588	237,269
Less: Depreciation	30,271	27,455
Income & E. P. tax.	135,866	89,000
Net profit	101,450	120,814
Less: Pref. divds.	16,083	16,083
Common divds.	32,166	26,805
Surplus for year	53,201	77,926
Add: Prev. surplus	439,721	400,794
Less: Inventory res.	15,000	35,000
Invests. adj.	......	5,909
Earned surplus forw'd	477,922	439,721
Earned per share:		
Preferred	$9.45	$11.27
Paid	1.50	1.50
Common	1.59	1.95
Paid	0.60	0.50
Working Capital	$	$
Current assets	908,733	861,062
Current liabilities	227,262	214,712
Working capital	681,471	646,350

Godfrey Realty

Godfrey Realty Corp. reports an improvement in operating income for the year ended April 30, 1942. Net revenue available for bond interest and depreciation at $73,358 compared with $66,666 the year before. After these charges, there was a net loss of $1,146 compared with $8,751 in 1941.

The balance sheet shows relatively few changes, liquid position being maintained, while bonded debt was reduced from $1,381,700 to $1,354,800.

Godfrey Realty owns and operates the Confederation Building in Montreal.

Income and Surplus Account
Years Ended April 30

	1942 $	1941 $
Gross income	162,581	154,782
Less: Expenses	50,525	49,359
Taxes	36,953	36,706
Trustee fees	527	536
Transfer fees	400	403
Directors' fees	580	580
W/o bad debts	238	532
Net revenue	73,358	66,666
Less: Bond interest	54,722	55,653
Depreciation	19,782	19,784
Net loss	1,146	8,771
Previous loss	64,390	55,619
Deficit forward	65,536	64,390

Guelph Carpet

During the last year the worsted spinning mill of Guelph Carpet & Worsted Spinning Mills Ltd. operated at a high rate of production which is continuing to date, and which consists of 75% war supplies, reports H. Quarmby, president, in the annual statement. Activity of the mill toward the last of the fiscal year ended Sept. 30, 1942, was reduced owing to the difficulty in obtaining raw materials, and steps were taken to convert as many looms as possible to produce war materials.

Due to the uncertainties of the situation, increased taxes, and desirability of conserving liquid resources, the annual dividend rate was reduced to $1 a share from $1.50.

The company's standard profit is calculated to be $76,580 and all earnings in excess of this sum are taxed 100% under the Excess Profits Tax Act and must be paid together with income tax. This means that the company can only retain 70% of the standard profit—about $53,600, or $1.53 a share.

Income and Surplus Account
Years Ended Sept. 30

	1942 $	1941 $
Operating profit	497,938	295,731
Add: Interest, etc.	12,311	11,866
Total earnings	510,249	307,597
Less: Ex. & legal rem.	62,374	......
Directors' fees	3,360	......
Depreciation	71,025	87,014
Inc. and E.P. taxes	253,679	152,000
Net profit	119,811	68,583
Less: Preferred divids.	......	*14,445
Common dividends	52,500	52,500
Surplus for year	67,311	1,638
Add: Previous surplus	144,801	143,163
Earned surplus for'd.	212,112	144,801
*Preferred redeemed Jan. 10, 1941.		
Earned per share:		
Common	$3.42	$1.55
Paid	1.50	1.50
Working Capital	$	$
Current assets	1,074,790	1,239,614
Current liabilities	239,215	467,541
Working capital	735,575	772,073
Balance Sheet Changes	$	$
Cash	55,002	648
Accounts receivable	393,756	468,647
Inventories	606,170	583,841
Fixed assets	1,307,101	1,264,022
Less: Depreciation	798,910	727,886

Consumers' Gas

Consumers' Gas Co. of Toronto, for the year ended Sept. 30, 1942, reports a substantial increase in the volume of gas sold. Revenue from gas sales totalled $5.9 millions, an increase of $427,668 from the previous year. The greatest growth occurred in the use of gas for industrial processes, sales in this category exceeding all previous records.

Sales of gas for house heating were also greater than in any prior year; and the number of central heating installations in service at the end of the year was five times the number in use two years ago.

The company's existing production and distribution facilities are said to be adequate to take care of all present and known future requirements for gas in the area served.

Operations during the year were affected by increases in wages paid and in the prices of the important commodities required in production and distribution. The company imports its coal supply from the United States, and notwithstanding transportation and other difficulties, it will have accumulated in Canada at the close of the lake navigation season sufficient gas coal for requirements until June, 1943.

The volume of sales of domestic gas appliances was adversely affected by government restrictions. It was necessary to limit the number of new gas house heating installations which the company could undertake, owing to the impossibility of securing some of the essential equipment.

Income and Surplus Account
Years Ended Sept. 30

	1942 $	1941 $
Gas sales	5,964,816	5,536,848
Residuals	1,471,010	1,678,039
Merch. sales	358,448	349,401
Misc.	11,370	11,577
Operating rev.	7,805,344	7,575,865
Less: Exps. & taxes	5,780,567	5,540,089
Add: Interest	81,584	78,658
Net profit	2,106,361	2,114,434
Net profit	2,106,361	2,114,434
Less: Dividends	1,164,416	1,237,192
Surplus for year	941,945	877,242
Trans. from res. fund	196,594	241,458
Trans. to renewal fund	1,138,539	1,118,700
Earnings per share:		
Earned	$10.81	$11.27
Paid	8.00	8.50
Working Capital		
Current assets	4,839,056	5,927,174

Canadian Bakeries

Canadian Bakeries Ltd., Calgary, encountered improved operations during the year ended Aug. 31, 1942, with net profit about double the figure for the previous year. Full dividends on the 5% preferred were paid plus 2½% on account of arrears, thus bringing dividend requirements up to date.

R. W. Ward, president, reports that the number of employees has been reduced, routes have been reduced, long hauls eliminated, gallonage of gasoline greatly curtailed, varieties of products cut by over 50%, and yet volume of sales in both bread and cake has shown a substantial increase.

Arrangements were made during the year with the Imperial Bank for a loan at 5% and the company's 6½% bonds were called Jan. 15, 1942. Long term debt, including bonds not yet presented for redemption, has been reduced from $498,300 to $298,967.

Income and Surplus Account
Years Ended Aug. 31,

	1942 $	1941 $
Operating profit	304,637	187,350
Add: Other income	4,437	6,718
Total earnings	309,074	194,068
Less: Exec. remun.	23,400	20,000
Directors' fees	1,000	800
Legal fees	281	114
Depreciation	98,055	76,452
Interest	21,189	33,582
Inc. and E.P. taxes	75,502	23,252
Loss inv. sale	112	......
Bond red chges.	14,143	......
Reorg. exp. w/o	6,000	......
Other charges	2,174	5,708
Net profit	67,217	34,160
Less: Preferred divids.	68,475	41,085
Deficit for year	1,258	6,925
Add: Previous surplus	42,573	49,498
Less: Loss on fixed asts.	8,548	......
Earned surplus forw'd	32,767	42,573
Earned per share:		
Preferred	$7.37	$3.74
Paid	7.50	4.50
Common	0.10	d0.12
Paid	nil	nil
dDeficit.		
Working Capital	$	$
Current assets	422,460	458,250
Current liabilities	207,851	131,803
Working capital	214,609	326,447
Balance Sheet Changes	$	$
Cash	100,598	157,841
Investments	20,664	30,872
Accounts receivable	175,794	136,568
Inventories	125,403	112,294
Fixed assets	2,700,768	2,716,975
Less: Depreciation	1,420,166	1,334,726
Current liabilities	1,933,694	1,272,734
Working capital	3,905,362	3,654,440

Brown Co. Pays Bond Interest

Coupon For Last Half of 1940 on Series A Payable Next Month

From Our Own Correspondent

MONTREAL.—Brown Co., New Hampshire and Quebec pulp operator, will pay on Dec. 1 next interest from June 1, 1940, to Dec. 1, 1940, on its general mortgage 5% cumulative bonds, series A.

This will be the second payment on these securities, which carry accrued interest from Dec. 1, 1939. The first payment, made on Aug. 20, 1942, covered six months' interest from Dec. 1, 1939, to June 1, 1940.

Must Exchange Bonds

According to H. P. Carruth, vice-president, holders of old Brown Co. bonds which have not yet been exchanged under the plan of reorganization will receive interest payments only upon exchange.

The payment of general mortgage bond interest is governed by the standby provisions as set forth in the indenture. Upon request by the Brown Co. board of directors, the Reconstruction Finance Corp. has agreed to waive for this payment provisions which would have made the earliest interest payment date June 1, 1943.

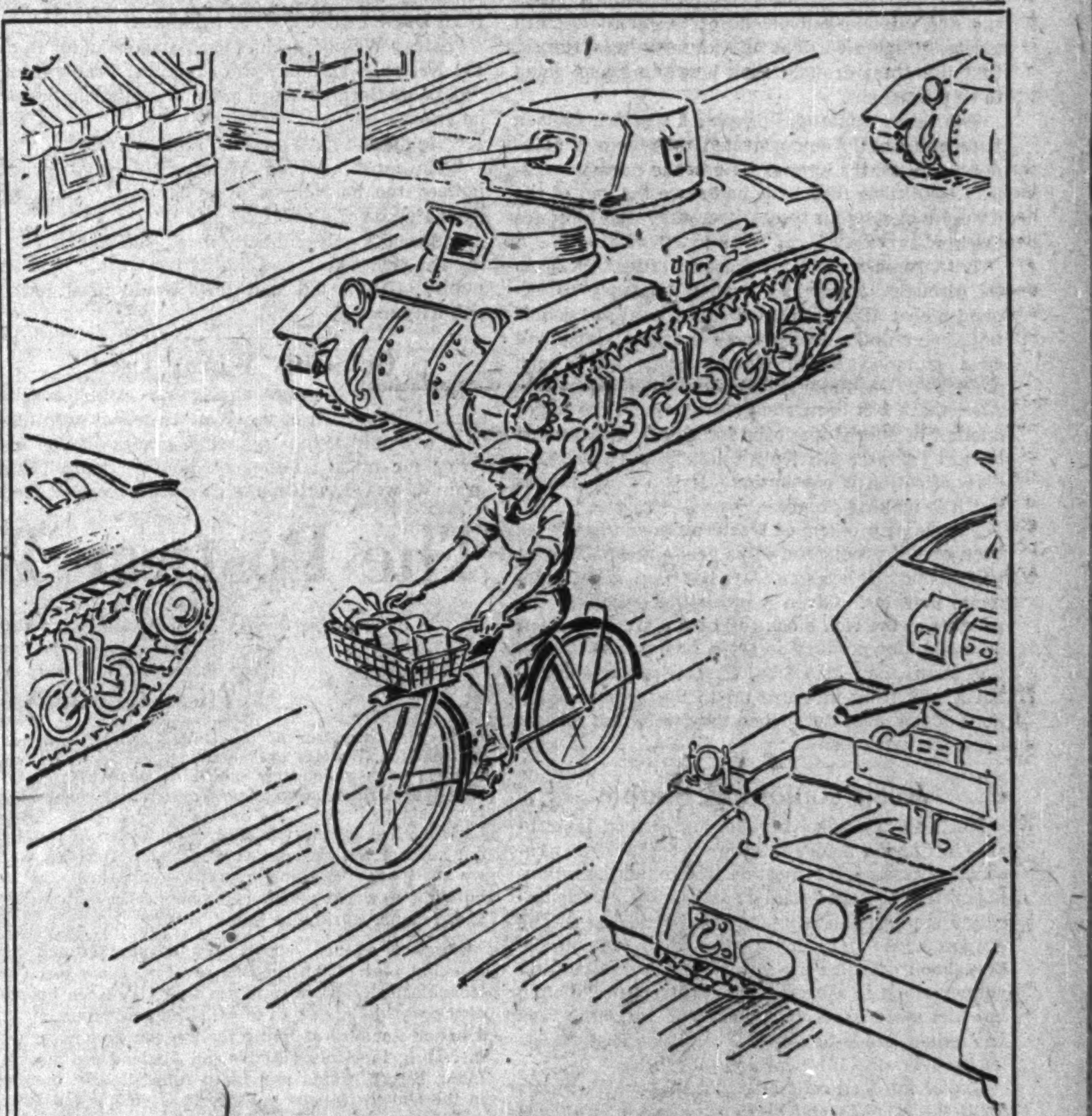
University Tower

University Tower Corp. reports a moderate improvement in its operations for the year ended April 30, 1942. Gross income showed an increase of about $10,000, but a gain in operating expenses reduced the amount available for interest and depreciation to practically the same figure as in the preceding year. After all charges there was a net profit of $1,451, as against $240 in 1941.

During the year the company reduced its bonded debt from $986,000 to $940,000. In addition the company has purchased and holding as an investment $10,990 of its own bonds.

Income and Surplus Account
Years Ended April 30

	1942 $	1941 $
Gross income	262,147	251,876
Less: Gen. expenses	140,255	131,506
Directors' fees	1,050	......
Legal expenses	35	......
Depreciation	43,942	43,877
1st mort. int.	58,325	61,285
Gen. bond int.	16,000	16,000
Trustee fees	393	389
Income tax	......	12
W/o lease com.	325	325
Add: Int. earned	1,689	1,759
Net profit	1,451	240
Previous surplus	1,302	1,062
Surplus forward	2,753	1,302



CONVOY

WHEN food is packaged in "Cellophane" it is given safe convoy right into the consumer's hands. This film is an effective barrier against deterioration, staleness, dirt and spoilage; "Cellophane" conserves freshness and quality, prevents waste and loss.

Thus the protective qualities of "Cellophane"—proven without question on a wide variety of food products in peacetime—have come to play a more vital role than ever before by helping to solve Canada's wartime food packaging problems.

Cellophane
TRADE MARK
C·I·L CELLULOSE FILM

C-I-L

The Editorial Page . .

The Financial Post's Platform For War

1. *Effective mobilization of all resources, materials, productive capacity and manpower, without reservation, for an all-out war effort.*
2. *A national cabinet, representative of all loyal groups, and consisting of Canada's ablest brains.*
3. *An inner war cabinet, free from departmental duties, to plan the nation's war effort and to see that the plans are carried out.*
4. *A non-political industrial executive to organize and direct procurement of war supply.*
5. *Pay-as-we-go policy, to the very limit consistent with an all-out war effort, to avert inflation.*
6. *Elimination of wasteful spending by public bodies or private individuals.*
7. *A national programme for postwar Canada, providing for fullest possible employment and improving social standards, through free competitive enterprise.*

This Situation Needs Clarifying

Here are two facts which, in wartime, just don't add up,

Both in the United States and Canada, there is much talk about too little wood fibre available for the manufacture of explosives, newsprint, fabrics, etc.

The second fact is that thousands of people who co-operated with salvage campaigns find there is too much waste paper. They have their garages and attics loaded with old newspapers, and can't find anyone to take them away.

Restrictions in the use of paper by the press will be accepted. This will, of course, restrict its usefulness to citizens and to government. Readers will get less information and the press will not be able to help so much in explaining and winning compliance with wartime restrictions and in achieving wartime objectives.

True, it may be argued, that much in print is not necessary for winning the war; that some printed matter may not be good for public consumption at any time. But it will be extremely difficult for any authority to draw the line separating the two groups.

In Great Britain no one throws away a sheet of old newspaper. It is unpatriotic to use it for lighting a fire. Why the striking contrast on this continent?

More adequate use of salvage paper would require a change in the habits of many paper manufacturers. Some mills would have to modify their processes. For some, using waste paper might be uneconomic. Collecting, transporting and processing it would cost more than using fresh raw material.

But the war emergency may demand new economic yardsticks here as in many other fields. The old yardsticks were supplanted in Canada on scrap iron. When it was found that prairie scrap was not getting to market because it was uneconomic to ship it, Ottawa stepped in with freight arrangements.

Surely there should be someone in authority whose responsibility it is to determine how we can best use paper in wartime—and that includes new paper and scrap paper—and enforce an overall conservation programme.

The Prairie Comeback

Five years ago, predictions were freely made that the Prairie Provinces were through. Some people who thought they knew something about the soil, climate and people of the great western plains, prophesied that the country was ruined, that the great drought then prevailing was going to be permanent.

The soil, climate and people of Western Canada have abundantly demonstrated that there is nothing permanently wrong. Given the normal moisture conditions they have had since the end of the drought cycle four years ago, they can produce the crops.

True, some corrections were in order. Prior to the drought, there had been a tendency to expand wheat acreage, regardless of local soil conditions, and undoubtedly some marginal land had been included which should never have been ploughed. But these adjustments have been made. Also, there has been steady progress in the introduction of substitute crops for wheat with a view toward greater agricultural stabilization. This diversification is continuing. It is a slow process but it is making progress.

The major problem of Western Canada has never been one of production—this year's record harvest proves that. It is, and always has been, one of adequate markets. Given a profitable outlet for the product of the rich black soil of the great Prairies, whether that product be grain or livestock fed on the grain, then Manitoba, Saskatchewan and Alberta will fully measure up to the rosy expectations of the great days when they were first thrown open for settlement.

Keep Rationing Simple

Much more extensive rationing of food is probable in Canada before this war is over. If this becomes necessary, it is most desirable that the rationing system be kept as simple as possible. Undoubtedly some superlatively fancy food rationing will be proposed. As an example of what can happen, the U. S. book of rules for rationing of gasoline and rubber alone is a heavy one of 81 pages. Britain has had more experience with food rationing than any other Anglo-Saxon community. That experience covers the 1914 war and all of this.

One of the food rationing problems which brings forth the fanciest and most complicated problems is how to ration restaurant eaters. The argument is advanced that it would be unfair to ration meat and staple foods and permit those, who were able and could afford it, to eat without stint in restaurants.

Britain has gone through all this argument and has deliberately adopted the present system in which there is no rationing on restaurant meals. Lord Woolton, Britain's Minister of Food, gave a representative of The MacLean Publishing Company his reasons.

If the working members of a family must produce food ration tickets for everything they eat in public restaurants, they use up a substantial proportion of the family supply. In the last war, when Britain did ration restaurant meals, it was found that the average housewife had the greatest difficulty in making up balanced meals with the coupons left over for home use. Hence the present system, instead of being unfair to housewives and those who stay home, actually means that balanced, satisfactory home meals can be planned.

The second reason for unrationed restaurant meals is that experience has shown abundantly that food eaten "off the ration"—that is to say served in bulk—is much more economically used than food served in the home. Restaurants, factory canteens, food cafeterias, etc., extract much more food value per pound out of the supplies they get than does the average housewife. They have larger quantities to deal with and they can plan better. Therefore Britain has saved an enormous tonnage of food by encouraging people to eat "off the ration" in restaurants, canteens, etc.

In view of Britain's clear-cut experience, there is no need for us now committing a blunder similar to that which Britain committed a quarter of a century ago and which she is not repeating.

No Comment Necessary

There are songs without words and here is an anecdote which requires no comment. It comes from Drew Pearson, U. S. columnist.

"Sidney Weinberg, chief back-stage man for Donald Nelson, was talking to columnist Frank Kent. 'Who does Bernie Baruch have for a publicity man?' he asked.

"'He doesn't have anyone', replied Kent.

"'He must', argued Weinberg. 'Haven't you noticed the marvellous press he gets? He must have a whizz of a publicity man.'

"'Baruch's only publicity man', said Kent, 'is doing the right thing and telling the truth. If more public officials did that they would need fewer publicity men'."

Get This Wheat Used

Due to wet weather during harvesting, a substantial proportion of the Western wheat crop this year will fall in the low tough grades and be inferior for milling into good quality flour. This grain, however, will make excellent livestock feed and should be most useful in the production of bacon and dairy products, for which there is an almost unlimited demand. It is reported, however, that this low grade wheat is not coming on the market and thus is not available to livestock breeders in either Eastern or Western Canada.

The reason is simple.

Because we already have far more bread quality wheat in storage and in sight from the bumper crop this year than we can market immediately, the government has put rigid restrictions on farm deliveries, growers being permitted to deliver to country elevators, only a small part of their total crop. Naturally, under such conditions, growers are limiting wheat deliveries to the higher priced portion of their crop, in order to realize as much ready money as possible. But this means that the tough feed wheat is staying at home and livestock feeders who could utilize it to produce more bacon and other food products for Great Britain and Canada are forced to do without. When these feeders use up their own home grown supplies of feed in the next few months, the situation may become critical.

Immediate steps should be taken to remedy this situation. Rigid quota deliveries on bread quality wheat are understandable, in view of the bumper crop this year and the exceedingly heavy carryover. But we are creating an unnecessary and entirely artificial obstacle by including feed quality wheat in these delivery quotas. Every effort should be made to provide transport from grower to feeder and deliveries of feed wheat should be taken out of the restricted delivery class entirely.

More of This Needed

Credit for an outstanding job in the field of labor-management relations goes to the Dominion Engineering Works, one of the principal wartime industries in the Montreal area. Its staff has increased manyfold since the outbreak of war. Only a small percentage have any knowledge of the peacetime operations or traditions of the firm for which they work.

The current issue of the Dominion Engineer, the company house organ is given over entirely to a message addressed "To Our Employees" and signed by H. G. Welsford, vice-president and general manager. The message, written by Mr. Welsford, is a simple, straightforward talk on mutual problems.

The message discusses inflation, what it is, what causes it, and what is being done to check it; the wage ceiling; how an employee can earn more money; things to remember about the income tax. Mr. Welsford points out that now the company has virtually only one customer—the government. He says:

> "There are some people who would have you believe that those who own the shops and tools on the one hand, and those who use them on the other, are as opposing sides, constantly having to contend for advantage one over the other. Nothing could be farther from the truth. We are all on one side and the only opposing side is that composed of the Axis powers which, if we do not work together, and very closely together, will destroy all that we value as they have in the conquered countries of Europe."

Mr. Welsford points out that the time and skill of every worker belongs to their country and to the fellow-citizens who are in the army, navy and the air force. "Time off," he says, helps the enemy and it is up to everyone to make his contribution to victory through greater production.

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

There Can Be No Privileged Peoples

As Vice-President of the United States, speeches by Henry A. Wallace are newsworthy. Herewith are extracts from an address which he gave before the Free World Association, New York. This speech and others by outstanding United Nations spokesmen are being issued in a series of pamphlets by the Office of War Information under the general heading, "Toward New Horizons."

We failed in our job after World War I. But by our very errors we learned much, and after this war we shall be in position to utilize our knowledge in building a world which is economically, politically, and, I hope, spiritually sound.

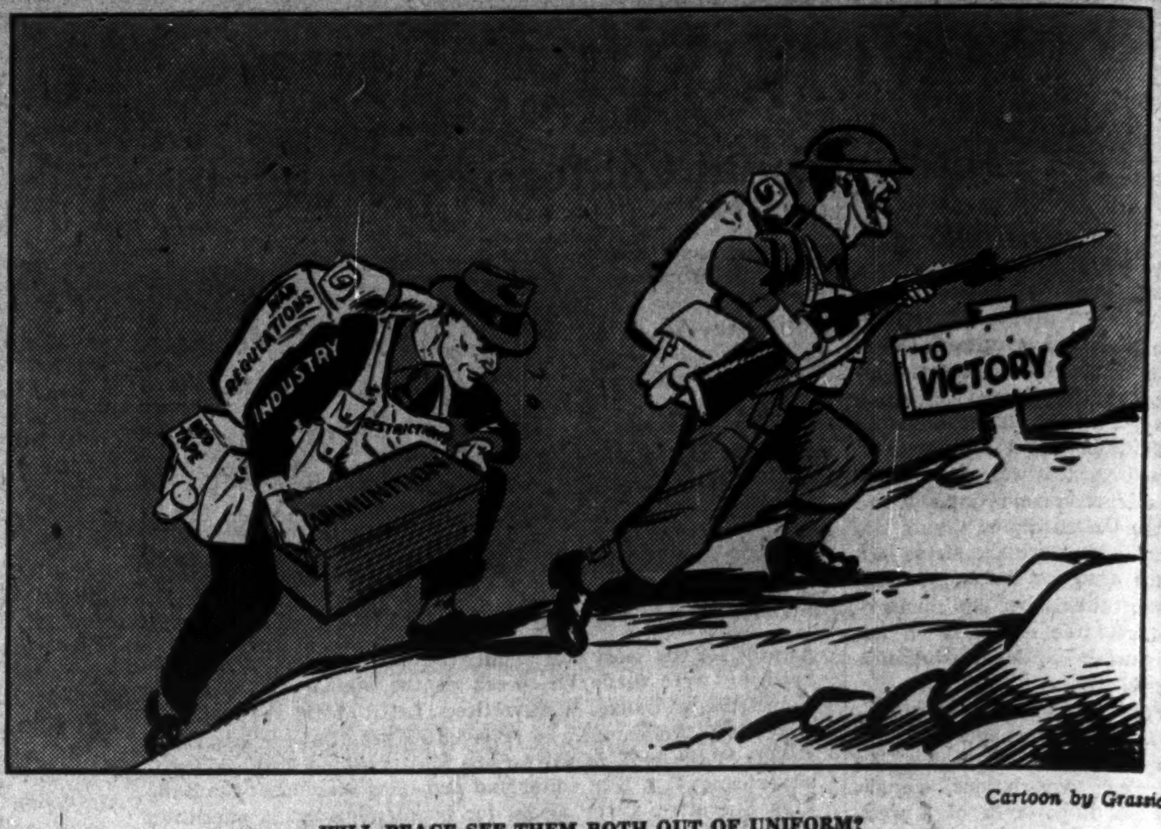
Modern science, which is a by-product and an essential part of the people's revolution, has made it technologically possible to see that all of the people of the world get enough to eat. The peace must mean a better standard of living for the common man, not merely in the United States and England but also in India, Russia, China and Latin America—not merely in the United Nations but also in Germany and Italy and Japan.

Everywhere the common man must learn to build his own industries with his own hands in a practical fashion. Everywhere the common man must learn to increase his productivity so that he and his children can eventually pay to the world community all that they have received. Older nations will have the privilege to help younger nations get started on the path to industrialization, but there must be neither military nor economic imperialism

India, China and Latin America have a tremendous stake in the people's century. As their masses learn to read and write, and as they become productive mechanics, their standard of living will double and treble. Modern science, when devoted wholeheartedly to the general welfare, has in it potentialities of which we do not yet dream.

And modern science must be released from German slavery. International cartels that serve American greed and the German will to power must go. Cartels in the peace to come must be subjected to international control for the common man, as well as being under adequate control by the respective home governments. In this way we can prevent the Germans from again building a war machine while we sleep. With international monopoly pools under control, it will be possible for inventions to serve all the people instead of only the few.

Those who write the peace must think of the whole world. There can be no privileged peoples. We ourselves in the United States are no more a master race than the Nazis. And we cannot perpetuate economic warfare without planning the seeds of military warfare. We must use our power at the peace table to build an economic peace that is just, charitable and enduring.



Cartoon by Grassick.

WILL PEACE SEE THEM BOTH OUT OF UNIFORM?

Post-Scripts . . . .

Big Man — Big Job

A big man has been chosen for the big job of president of the Association of Canadian Advertisers this year. He is Paul Kenneth Abrahamson, a stoutish, dark, six-footer, whose private job is advertising manager of the Borden Company Limited with headquarters in Toronto.

MR. ABRAHAMSON

Paul Abrahamson being of Scandinavian descent hails naturally from the middle-western United States. A member of the Phi Beta Kappa, he graduated from the University of Minnesota in 1919 and followed this up with a scholarship in economics at the University of Columbia.

A yen for writing short stories brought him into the copy department of the McCann-Erickson Advertising Agency in New York where he worked on the Borden company account. There he attracted the eye of Borden executives and in 1927 was appointed assistant advertising manager of the company. Four years later he was made advertising manager of the Borden Company and moved to Toronto.

Under his direction Borden advertising in Canada has been outstanding and Abrahamson has made Elsie, the Borden cow, one of the most popular figures in the business scene. His friends say that Elsie is his only hobby. He has been active with the Association of Canadian Advertisers for several years. He served as vice-president last year.

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In Key Washington Post

Vincent William Thomas Scully, just appointed president of War Supplies Ltd., in Washington, is the third generation of his family to serve in the Royal Irish constabulary — and if it hadn't been for "the trouble" in Ireland he might not be in Washington today handling one of Canada's most important war jobs.

His father was a district inspector in that famous force as was his grandfather before him and so was Vincent Scully when the force was disbanded in 1922. He had met many Canadians in Britain and their description of this country so attracted him, that he came out here after his Irish job blew up. Following a brief trip to the coast, he settled down to work with Clarkson, Gordon, Dilworth and Nash, chartered accountants in Toronto. He got his own C.A. in 1929, and two years later teamed up with J. D. Woods & Co. Ltd. and York Knitting Mills Ltd.

In 1941 he became secretary-treasurer of the Crown company, Plateau Ltd., but in July of the same year, Munitions and Supply borrowed him to assist E. P. Taylor and Roy G. Peers in the organization of War Supplies Ltd. Scully had the job of handling finances reconciling operations to the maze of government regulations covering operations.

The full story of War Supplies Ltd. has not yet been told, but its efficiency and careful handling of war contracts is widely commented on. In going to the presidency, Scully will probably have little change from the heavy schedule that has required 10 to 12 hours work daily, six and seven days a week.

Outside his job Scully has kept up his military interests. He took his first officer training in the 28th Battalion London Regiment (Artists Rifles) at 18. He was commissioned again with the Queen's York Rangers (Reserve) in 1940 when the government ordered him to Washington. He keeps up his membership in Rosedale Golf Club, and the Military Institute, Toronto. Born in Ballymahon County, Longford, Ireland, in 1900 he left Dublin University in 1918 as soon as they could take him into the army. Irish born, he is all Canadian now. In 1930 he married Sylvia Grier, daughter of Sir Wyly and Lady Grier. They have one son, James Keivin, age three. The family is with him in Washington.

• • •

National Hostess

On the fourth floor of the Arcade Building in midtown Ottawa, a housewife with a postgraduate training in business administration is wrestling with the problem of making the utmost possible use of every spare room in Canada's war-congested towns and cities.

MRS. AGNEW

The housewife's name is Mrs. Harvey Agnew. Until a few years ago, her chief occupation was the raising of two children. Today, the boy and girl are 17 and 19 respectively. They live in Toronto with their dad, Dr. Harvey Agnew, and are old enough to permit their mother to come and do an important job for Donald Gordon's newly-formed housing administration.

The housing job which Mrs. Agnew has been asked to tackle is the organization of a voluntary registration of Canadian homes for the purpose of making the utmost use of existing housing in all areas where war industry or service establishments have created an accommodation shortage. The reason this particular housewife was asked to take on this job is that for the past 14 years, what she calls her "postgraduate course in business administration" has led directly to the presidency of National Council of the Young Women's Christian Association. Mrs. Agnew thinks that a seat on the National Council's directorate is the finest sort of training any woman can have in administration. Run entirely by women, this organization now administers property valued at over $3 million. In the matter of housing, the association is the only organization in Canada which has a nation-wide experience in the placement of floating population. So important is its Wartime Room Registry Service that the government now recognizes it officially and gives financial assistance. In the nine months ended September, 60,000 people (single girls and soldiers' wives) have been looked after by this service in 39 urban centres. The "Y.W." is run entirely by women (except for janitor service). Mrs. Agnew is the president of the central and policy-making body which keeps a maternal and businesslike eye on the 45 separate and autonomous local associations. War jobs such as Hostess Houses (which have looked after 2,500,000 women since they were first established in March, 1940) are the special responsibility for the National Council.

Mrs. Agnew hopes to complete her housing registry job within the next three or four months. She intends to set up no new or conflicting organization. The work will be done in consultation with local groups and individuals—the existing Consumer Branch representatives of W.P.T.B., the various Women's Voluntary Service Bureaus, and other local or official committees. Their aim is to co-ordinate existing agencies now locally interested in housing such as, in Ottawa for example, the Y.W.C.A., the Civil Service Association, various Catholic bodies, and the Ottawa Tourist Bureau. Her voluntary survey is merely the organization of a community effort to meet a recognized need.

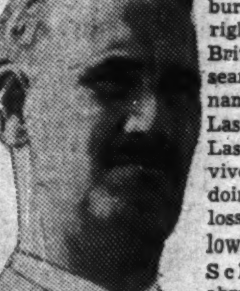
One important misunderstanding which Mrs. Agnew is anxious to remove, is the question of compulsory billeting. So far as Canada is concerned, compulsory billeting is out, in Mrs. Agnew's view. Compulsory billeting in Britain, she points out, was undertaken as a result of circumstances which do not exist in Canada. There is no intention of duplicating the British experience. Even if compulsory registration has to be taken to round out or supplement a voluntary canvass, there need be no fear that compulsory billeting is "just round the corner."

Mrs. Agnew is the daughter of R. C. Smith, head of the advertising agency of that name in Toronto. She was a scholarship student at University College, and is a former president of the University College Alumnae Association. She married Dr. Agnew (now associate secretary of the Canadian Medical Association) shortly after graduation from university. Her hobbby: field naturalist.

• • •

Voice of the Merchant Marine

When one of the German gunners on the Admiral Von Scheer rammed home a shell, he probably did not believe that he was going to materially boost the Canadian war effort. But he did. When that shell burst, it blew the right leg off a British merchant seaman by the name of Frank Laskier. Already Laskier had survived two torpedoings but the loss of his leg following the Von Scheer shelling abruptly terminated his sailor career. But another was as promptly opened. While convalescing, Laskier was discovered by a BBC (British Broadcasting Corporation) scout and was put on the air to tell about his experiences. He was an immediate success and not long ago under the auspices of the Navy League of Canada, he came out to Canada to tour war plants.



MR. LASKIER

In the last three months this slim, partly bald, 30-year-old Britisher has addressed workers' gatherings at no less than 180 war plants, rolling up a total audience not far short of 200,000. He has talked to the men coming off shifts early in the morning or at midnight and in between has made frequent talks at service clubs, over the radio, etc. His simple, clear cut talks, delivered on a man-to-man basis are credited with speeding up war production from coast to coast and especially in the heavy steel industries which are so intimately associated with Laskier's own merchant marine.

Following his discovery by BBC Laskier took time off to write a book entitled "My Name is Frank," which almost overnight became a best seller in England.

Other People's Views . . . .

The Canadian Editorial of the Week

Cut Red Tape

Times Review (Fort Erie, Ont.)

Not long ago a committee to cut down paperwork and, as far as possible, eliminate red tape, was appointed at Washington by Donald M. Nelson. This committee has now reported the results of its efforts in before-and-after style.

Before, one large automobile company had, on one occasion, to fill out government forms which involved 100,000 man-hours of work and cost $125,000. Another, and much smaller manufacturer had to shut down for three weeks to catch up with his paperwork. Some government forms and questionnaires were "as large as small window shades"—despite the prohibition of the sale of wide-carriage typewriters.

After the committee had been functioning for a few months it was able to claim credit for saving industry 30,000,000 man-hours of paperwork a year. One hundred and twenty forms were eliminated, 132 more were simplified — doing away with more than half the paperwork that had been required. One of the forms abolished would have required 400,000 man-hours from industry, and another 100,000 man-hours from government employees.

It is not surprising that Donald Nelson has extended the life and activities of the committee until the end of the year — or that it is just about the best-hated committee by Washington bureaucrats.

How welcome and beneficial such a committee would be in Canada — provided it were clothed with sufficient authority.

• • •

As Others See Us . . .

Manpower Decision

Ottawa Journal

Since the Canadian armed services are aspiring to a million, The Financial Post asks for the greatest care in distribution of our manpower.

This is good sense. But responsibility for such decisions must rest with the Prime Minister and his Cabinet. We have heard Mr. Elliott Little, Director of National Selective Service, being blamed for manpower problems which he has inherited but not provoked. Mr. Little is charged with administering the Government's policies concerning manpower, but he is not charged with deciding what shall be the relative sizes of the armed forces, agriculture, and the munitions industry. That is a Cabinet task.

• • •

Juvenile Delinquency

Summerside (P.E.I.) Journal

The question of checking juvenile delinquency, which more or less frequently comes to the mind of many of our citizens and especially after some startling offence has been committed by a juvenile or a number of juveniles, is one which confronts thinking people in every province. The question, it is interesting to note, has been put to the public by The Financial Post, of Toronto, and in a recent issue of that widely-read and influential publication replies to the question are published which in large measure indicate the main cause of the trouble and suggest the remedial measures that might be taken.

• • •

The Mail-box . .

Punish German Leaders

Editor, The Financial Post:

"Should the German people be punished."

Probably the best way to cure Germany, is to execute every member of the Gestapo that can be located. They are the scum of Germany, irrespective of caste. Many of the German soldiers are brave men, none of the Gestapo are, they batten on the sorrows of others, taking little personal risk.

All that is best in Germany would like to see the Gestapo exterminated.

JOHN H. BARCLAY, Sr.

Sayings of the Week

"The only exercise I take is being pallbearer for my friends who have always exercised to keep in good condition."—*Donald M. Nelson.*

• • •

"The efficiency of our war effort has been handicapped through delay and indecision of those charged with the responsibility of making it effective."—*Premier John Bracken.*

• • •

"I would always rather have a woman secretary. They are as intelligent as men, and more adaptable. Men are full of their own ideas, so they do not grasp what is in your mind so quickly. The ideal secretary is a woman." — *Field Marshal Smuts.*

• • •

"When this war is ended, we will have, due to the acceleration in the use of inventions, hundreds of new materials which will tend to increase many times our wealth, regardless of profits, costs or financial considerations." — *Dr. F. A. Gaby, vice-president, British American Oil Co.*

Stop Me If . . .

A war worker with five children was having no luck in finding a home for his family. When he finally located a vacant place he was turned down as soon as the landlady saw the carload of kids waiting to move in.

Desperately the man related his troubles to a friend. And together they hatched up an idea.

Before going to see another vacancy, the man and his wife took the children to a nearby cemetery, and left them there with a picnic lunch with instructions to stay put till the parents returned.

When the usual question of how many children was put to them, the man answered huskily, "Five, but they are all out in Fairfield Cemetery."

Sympathetically the owner brought out the lease—it was signed, and the children brought in from their picnic.

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How John Inglis Cut Absenteeism 50%

Competition and Psychology Enlists Employee Support in Big War Plant

When absenteeism began to run over 12%, the Inglis management settled down to a programme aimed at a more normal figure of 3 to 5%. Their methods, lightening fatigue and harnessing the team spirit, have cut absentee hours in half.

Between Aug. 31 and Nov. 1 the John Inglis Co. could have turned out 1,680 more Bren machine guns or 28 additional marine engines for ocean freighters had the entire savings in labor from reduced absenteeism in this plant been applied to either of these two products.

In actual practice this would not be the case. The saving was distributed throughout all departments of the company's plant, but this illustrates the importance of what can be accomplished when the problem is tackled realistically and energetically.

If absenteeism among the company's 15,000 workers had remained as it was at Sept. 1 this year, the company would have been 49,000 man-hours a week worse off than it actually was. This is equal to a total for the same period of 283,153 man hours.

Mushroom Growth

Obviously such a dramatic achievement could not have been possible had there not been in the first place a serious problem to solve and had not the measure taken achieved a remarkable degree of success. Trouble at the Inglis firm appears to have been due primarily to a "mushroom growth" which in the first six months of this year resulted in employment at the plant increasing from approximately 8,000 to something over 15,000. During this period the company was adding between 1,000 and 1,500 new employees each month and the growth is still continuing.

Under normal peacetime conditions about 3 to 4% of the employees of a plant may be absent from work each day. In wartime, increased hours, high pressure and the consequent strain on health and nerves make perhaps a 5% record of absenteeism a reasonable allowance. But in this case total absentee figures rose so high that on the average one person out of every eight total employees could be counted on being absent from work.

This was something of the problem which faced company officials when last summer they decided to do something about it.

Saturday Holiday

The first step taken about the middle of July was to offer a half holiday for the remaining summer Saturdays if absentee figures for the Saturday and Monday mornings were cut to normal. Only a preliminary proposition at the best, this proposal did not have any particular success although it brought out certain weaknesses which helped when the later and more important compaign got under way.

Why They're Absent

The vital step in curbing this alarming trend to an increased rate of absenteeism was to find out why workers failed to turn up for their jobs. They have found that a relatively small number of reasons are given for absenteeism, the most important being:

1. Long hours of work and fatigue.
2. Failure on the part of the individual worker to sense the importance of the individual job.
3. Ability to make enough money to satisfy and still take the occasional day off.
4. Workers from out of town places wanted to go back home occasionally, a trip which they now felt they could afford to make.
5. Hundreds of the workers had never been employed in a factory before and were not accustomed to the demands it makes.
6. An occasional frank worker admitted that dissipation or excessive recreation kept him away.
7. Took time off for shopping with family.
8. Night shift workers could not get enough sleep.

Points Campaign

This list of reasons for staying away from work without permission revealed the general directions which the real campaign to overcome this problem has to take. It was clear that it had to employ primarily both the psychological and the competitive appeals.

Most workers at the John Inglis plant had been putting in a standard 10-hour day, making a 60-hour week a pretty stiff schedule for women who make up a fair portion of this company's hourly staff.

Change Shifts

About the end of the summer the company started changing to straight eight-hour shifts, worked three shifts daily. Prime reason for this change was to get greater production on the Bren machine guns but it also had an effect on absenteeism, as the shorter work-day left workers time to attend to their personal affairs and lessened the fatigue of the job. It gave the workers, more particularly the women, time to do their shopping, to visit the beauty parlor and carry out the other bits of personal business which were very difficult under the previous six-day week of 10 hours a day.

Enlist Employees

Major move in settling this absenteeism business was to enlist the active support and co-operation of the employees and to inaugurate a 12-week campaign starting Sept. 1 this year, a date selected because it gives more nearly average conditions following the close of the summer season. The entire company was divided into teams of varying size but so arranged as to give a reasonable degree of uniformity of working conditions, and a whole army of volunteer workers took over the conduct of the campaign.

About 1,000 workers were designated "scouts" and each given the task of taking care of 15 of their fellow employees. Chief duty of each "scout" was to persuade a worker who had been absent to fill out a form giving the reason for his absence. These forms do not have to be signed, the worker having the option of signing or not as he pleases, although it is said about 70% of the forms received have been signed.

No money awards were given for the team winning the weekly contest but a flag was awarded each week with a special flag at the end of each four-week contest and a further reward for the winner at the end of the full 12 weeks.

Shows Up Needs

One early development was a clear picture of the vital necessity of accurate records of absences and the reasons for them.

It was also found vital to have the employees themselves take over the campaign to reduce absenteeism, to make it their own, and to generate real interest and the pride in any achievements gained.

It was found, on careful study, that the two classes of absenteeism—with or without permission—were often not accurately classified. It was found that it had been too easy to get permission to stay away from work—again a part of the general failure to appreciate the importance of staying on the job. This has been taken up, chiefly through better records and requiring foremen and supervisors to make a careful check of the records of absentees as a part of their responsibility.

Dramatize Presentations

Greatest possible use was made of dramatic effect, with the weekly presentation of flags to the winning teams made a special occasion. Presentation is made by outside men, preferably by those prominent in the Army, Navy, or Air Force or prominent visitors.

First week of the contest showed the best results with a drop in absenteeism of 20%. Succeeding weeks showed further drops but of not so great an extent. After eight weeks, however, the percentage of absenteeism had been cut in half and those absent without permission were even more drastically curtailed.

Employees have the campaign ever before them. They see huge posters about the plant which shout at them that "Lost Time is Subtle Sabotage." They see featured "The Little Man who Wasn't There," and point out that "He was Working For Hitler." The employees paper, "The Shotgun," is full of publicity to the whole campaign, giving a liberal showing of pictures of winning teams and mention of particularly meritorious achievements.

The Week in Business

Business statistics indicate how far Canada has come along the road to complete conversion to war effort. It is significant that the employment figures show greater gains for manufacturing industries than for all industries.

Dominion Government accounts for October show war expenditures of $175.9 millions and total expenditures for all purposes of $357.4 millions, balanced against total revenues of $203.9 millions. A year ago, war expenditures were greater than total revenues although both were far below present levels.

Newsprint industry operated at 70.6% of capacity in October and shipments were 76.9% of capacity, both figures being well under the preceding month and the same month a year ago. Production in the first 10 months of 1942 is 5.0% below last year and exports down 4.2%.

Employment as measured by Dominion Bureau of Statistics indexes, in September was up fractionally over the preceding month for all industries and up 3.2 points for manufacturing alone. Compared with a year ago there is a gain of almost 17 points for all industries and one of 34 points for manufacturing.

Payrolls continue to rise faster than employment, according to D.B.S. figures. September figures are up 35.4% from June, 1941, and 3.6% from the preceding month.

Carloadings for the latest week are down about 600 from the same month a year ago and down over 2,900 from the previous week. Merchandise, or LCL, loadings were higher in the latest week than for either the preceding week or the same week a year ago as measured by the index.

	Oct.	Sept.	Aug.	July	Year Ago
The Financial Post business index	....	°166.2	165.0	163.6	172.1
*Dom. war expend. (million $)	175.9	207.3	173.4	190.4	110.8
*Dom. total revenue (do.)	203.9	162.4	164.2	121.8	104.8
*Dom. total expend. (do.)	357.4	318.9	301.3	350.8	165.4
Retail sales index no.	...	152.0	162.9	150.3	136.4
Dept. store sales index no.	...	152.4	154.3	145.4	136.6
Wholesale sales index no.	....	177.7	157.4	154.3	171.2
Country store (% change pr. yr.)	....	+12.6	+10.0	+10.6	+11.9
Divd. payment index♦	123.3	123.5	123.5	122.6	118.5
Bank deposits (1926=100)	....	170.1	163.0	160.3	157.6
Cash and cheque pay. index	....	139.7	138.6	146.7	127.2
Bank debits (1935-39=100)	....	134.5	136.0	133.0	126.3
Money supply (c)	....	3,927	3,772	3,686	3,499
NEWSPRINT % OF CAPACITY—					
*Production ratio	70.6	72.4	68.4	65.2	84.1
*Shipment ratio	76.9	82.1	69.0	65.8	80.3
RAILWAY FREIGHT LOADINGS—					
Tons	....	132.3	163.0	177.0	127.5
Cars	....	117.4	129.6	148.1	119.1
COST OF LIVING—					
D.B.S. index	117.8	117.4	117.7	117.9	115.5
EMPLOYMENT INDEX Nos. D.B.S.—					
*All industries	....	179.3	177.8	175.7	162.7
*Manufacturing	....	215.6	212.4	209.5	181.4
*Payroll (June 1/41=100) (b)	....	135.4	131.8	129.7	109.8
Payroll index (a) (1937=100)	....	....	201	204	173

			Jan. 1 to date		%
RAILWAYS—	1942	1941	1942	1941	Change
*Carloadings (week Nov. 7)	68,974	69,572	2,917,216	2,749,048	+6.1
*C.P.R. gross (week Nov. 7) $	4,913,000	4,659,000	215,838,000	184,693,000	+16.9
C.N.R. gross rev. .. (Sept.) $	33,860.000	27,132,153	270,827,000	220,312,011	+22.9
C.N.R. net rev. .. (Sept.) $	8,832,298	6,393,072	62,760,974	48,589,326	+29.2
C.P.R. gross rev. .. (Sept.) $	22,113,749	19,268,143	187,126,616	156,457,494	+19.6
C.P.R. net rev. .... (Sept.) $	3,569,177	3,466,552	32,005,741	29,727,671	+7.6
IRON AND STEEL—(September)—					
Pig iron production (tons)	155,900	125,168	1,464,631	1,058,520	+38.3
Steel production .. (tons)	244,922	224,626	2,309,588	1,958,940	+17.8
CONSTRUCTION—					
Contracts awarded (Oct.) $	21,412,800	29,082,800	249,899,700	351,991,900	—29.0
Building permits .. (Sept.) $	10,540,657	12,579,488	80,683,920	102,043,724	—20.9
Cement prod., bbls. (Aug.)	1,232,380	977,580	5,949,489	5,272,599	+12.8
AGRICULTURE—					
Flour prod., bbls. . (Sept.)	1,737,472	1,647,910	14,873,098	15,633,532	—5.1
Cattle sales▲ ... . (Oct.)	118,489	146,993	913,199	992,437	—7.9
Hog sales▲ .... (Oct.)	493,173	576,284	4,893,569	4,733,364	+3.3
SEA FISHERIES—‡					
Catch, cwts. .... (Sept.)	1,442,100	1,343,500	8,395,100	8,501,200	—1.2
Landed value . ... . (Sept.) $	6,557,900	3,156,000	25,834,100	20,762,500	+24.4
NEWSPRINT—					
*Production, tons ... (Oct.)	271,555	318,787	2,681,764	2,824,734	—5.0
*Exports, tons ...... (Oct.)	277,925	285,893	2,541,104	2,652,623	—4.2
MINING AND OILS—					
Coal prod., tons . (Sept.)	1,463,187	1,599,014	13,860,225	12,679,416	+9.4
*Gold rec., fine oz. . (Sept.)	382,880	397,662	3,547,871	3,820,603	—7.2
Petroleum prod., brl. (Aug.)	870,108	870,881	6,979,180	6,620,695	+5.4
ELECTRIC POWER OUTPUT—(September)—					
Total monthly, 1,000 kw.h.'s	2,946,611	2,866,647	27,514,325	23,900,261	+15.1
OTHER INDUSTRIAL FACTORS—					
Shoes, prod., pr. .... (Sept.)	2,807,754	3,027,252	24,672,220	23,833,552	+3.5
Cotton consump., lb. (Sept.)	15,488,872	17,125,874	147,286,708	147,249,878	+0.02
*Cigarette cons., No.† (Oct.)	1,010,451	844,292	8,232,279	7,107,784	+15.8
FINANCE—					
Bank debits† .... . (Sept.) $	3,516,107	3,300,731	32,291,692	28,502,328	+13.3
*Bond sales† ...... (Oct.) $	270,453	341,700	3,109,132	2,172,786	+43.1
Life insurance sales (Sept.) $	55,798,000	33,975,000	379,409,000	295,009,000	+28.6

*D.B.S. All Canada figure covering 90% of the Canadian total.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▲Total at yards and plants. †000 omitted.
♦Supplied by Nesbitt, Thomson & Co. °Final. (c) 000,000's omitted.
(a) Compiled by Canadian Bank of Commerce. (b) All industries.

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New Wartime Regulations

Post Summary of Latest Rulings from Ottawa

COLLAPSIBLE METAL TUBES. W.P.T.B. order 206, Nov. 3. It shall not be necessary to turn in a used tube to buy a gift set or gift kit containing toiletries packed in tubes, where these are done up for sale as a combination. Donald Gordon, W.P.T.B. chairman.

* * *

SALES AND DELIVERIES OF GOODS. W.P.T.B. order 203, Nov. 3, amends and consolidates earlier orders which restrict the delivery of goods and conditions of sale. Donald Gordon, W.P.T.B. chairman.

* * *

SLAUGHTERING OF ANIMALS. W.P.T.B. order 204, Nov. 3, designates the slaughtering of animals as a "service" for purposes of W.P.T.B. regulations, places this under jurisdiction of the food administrator, and fixes maximum prices. Donald Gordon, W.P.T.B. chairman.

* * *

GIFT SETS. W.P.T.B. order A-461, Nov. 3. No person shall pack in any gift set or gift kit intended for sale any tooth paste or shaving cream in a collapsible metal tube. Adm. of Pharmaceuticals, W.M. Grant.

* * *

MEN'S AND BOYS' CAPS AND SUSPENDERS. W.P.T.B. order A-469, Nov. 6, permits manufacturers to make a small increase in the price of caps ordered in lots of fewer than six, and caps and suspenders of special large sizes. Adm. of Men's and Boys' Furnishings, J. D. C. Forsyth.

* * *

WOMEN'S AND GIRLS' CLOTHING. W.P.T.B. order A-462, Nov. 6. This applies to women's, misses' or juniors' coats, suits or sport jackets to be offered at retail during the spring and summer next year. A manufacturer must submit details of cost of materials and labor for garments of the same kind and quality sold this year, together with his proposed 1943 selling price. This selling price is subject to approval and shall in no case exceed by more than 10% the highest 1941 selling price for similar goods. Adm. of Fine Clothing, H. R. Cohen.

* * *

COTTON FELT MATTRESSES. W.P.T.B. order A-470, Nov. 6. New types of mattresses are being devised to replace those eliminated by restrictions on the use of metals. No manufacturer shall sell any of these new types until a maximum price has been fixed therefore. J. H. F. Turner, Adm. of Cotton.

* * *

SKATING OUTFITS. W.P.T.B. order A-464, Nov. 5, regulates the manufacturer's, wholesaler's and retailer's prices for skating outfits equipped with nu-chrome skates. Adm. of Footwear, L. Daoust.

* * *

FOOD CHOPPER. W.P.T.B. order A-471, Nov. 7. No person shall hereafter manufacture any hand-operated or motor-driven food chopper for household use. A permit shall be necessary to manufacture any such chopper for industrial, institutional or commercial use. Adm. of Fabricated Steel, H. Howard Foreman.

* * *

CONTAINERS FOR WINES AND SPIRITS. W.P.T.B. order A-472, Nov. 7, schedules the size of bottles which may be manufactured to hold wine or spirits. Adm. of Glass, H. R. Harrison.

* * *

USE OF METALS FOR JEWELLERY. W.P.T.B. order A-431, Nov. 11. The use of platinum or palladium or any alloy thereof in jewellery is prohibited, as is the purchase from now on of any rhodium or rhodium alloy for use in jewellery. Certain exceptions may be made by the administrator "as he may deem proper and in the public interest." Adm. of Jewellery, H. Levy.

On the Record

A Non-Ferrous Castings Advisory Committee appointed. Members are: G. C. Bateman, Metals Controller; F. M. Connell, deputy Metals Controller; Captain A. C. M. Davy, Dept. of National Defense, Naval Services; Flight Lieut. R. C. Gordon, Dept. of National Defense, Air Services; G. E. S. Hornby, British Admiralty Technical Mission; H. H. Scotland, Inspection Board of the United Kingdom and Canada; Norman McPhee, Dept. of Mines and Resources; Professor J. U. MacEwan, Army Engineering Design Branch, Dept. of M. & S.; W. L. Bond, Ottawa Car and Aircraft Ltd., A. E. Cartwright, Robert Mitchell Co., Ltd., Montreal; G. E. Tait, Dominion Engineering Works, Ltd., Montreal; E. G. Jennings, MacKay Smelters Ltd., Ottawa; and J. C. Stavert, Babcock, Wilcox and Goldie McCulloch, Ltd., Galt.

War materials are being produced in Canada at the rate of $2.5 billion a year. With 30% of the munitions production for Canadian forces at home and abroad, about 50% goes to the U. K. or to British combat areas and to Russia, and some 20% goes to the U. S., China, Australia and the Pacific theatres of war.

More than 60 steel cargo ships totalling 634,000 tons deadweight, have been delivered in 1942.

Vickers .5-inch naval machine guns are now being produced in Canada.

E. N. Dack, Winnipeg, appointed Regional Priorities Officer.

Ten million woollen underwear garments have been purchased by the government since the start of the war.

E. P. Taylor named deputy to Hon. C. D. Howe on the Combined Production and Resources Board.

V. W. T. Scully appointed president and director of War Supplies Ltd.

Dr. F. Cyril James, chairman, Canadian Committee on Reconstruction, in New York on Nov. 13 addressed a meeting of the Canadian Society, pointing out Canada's opportunity in the postwar period.

POINTING THE WAY

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Life Offices Cut Out Much Clerical Work

All Correspondence Not Absolutely Necessary Eliminated — Change of Age Cards and Numerous Premium Notices to be Stopped

Transfer of many of their personnel to the armed forces and war industry has resulted in the life insurance companies cutting out a great deal of work and services not absolutely necessary. At the behest of the Dominion Government, the trend has recently been greatly accelerated.

The movement toward curtailment of efforts began many months ago when the drain of enlistments and drafting became heavy. Companies voluntarily reduced the amount of clerical work in head and branch offices. Issue of circulars and booklets was reduced.

More recently the request of the government that further curtailment be made has resulted in additional economies being effected, and further ones are proposed, to make larger numbers of men and women available for war work or the armed services, and to relieve staffs already overworked.

Individual Practice

So far as possible, it is understood, curtailment programmes will not interfere in relations between companies and the general public. Action so far has been pretty well a matter of individual company practice, but the situation is now reaching a point where further curtailment by a few companies might place them at a disadvantage with others which might not curtail. Accordingly, efforts are being made to make further changes uniform.

One suggestion is to eliminate all special policies and quotations. In peacetime agents often work out special contracts for their clients and then submit them to the head office for approval. This might mean many hours' work, first for the agent and then for the actuarial and underwriting departments at head office. This practice will now probably be discontinued. The number of policies offered will be limited to a few standard types.

Investigations normally conducted by companies into various phases of their work will also be discontinued for the duration. For example, companies ordinarily make studies of such matters as non-medical insurance experience and do considerable research work into mortality experience and other matters of importance to the life business. For the rest of the war, operations probably will be based on existing data, rather than doing extensive research work to get further information.

Other suggested changes are the consolidation of departments where possible. Ordinary policy loan and automatic premium loan procedure will be combined.

Some companies propose to send a policyholder only one premium notice instead of three as heretofore. The policyholder is expected to take sufficient interest in his own policy that one notice will be enough.

Automatic transfer of policy records because of changed addresses will be discontinued.

Settlement Options

It has also been suggested that methods of settlement of a policy be restricted to one of the usual settlement options in a policy. Some companies in the past have gone far beyond the normal choice of a single option. They have allowed policyholders to arrange for combinations of several options continuing income settlements to secondary and tertiary beneficiaries at considerable expense. This it is now felt should be discontinued.

Policyholders will be encouraged to study their policies themselves for information which may be available there rather than writing in to the company.

Income Tax Receipts

One thing that is causing considerable worry is that if the government requires taxpayers to submit duplicate official receipts for life premiums claimed as an offset to compulsory savings an enormous amount of clerical work for the companies will be entailed. Some way of eliminating duplication of work here is being sought.

By methods such as those suggested it is hoped further inroads into staff may not interfere with necessary services to the public or mean too heavy a burden for those that remain in company service.

Bankers Are Prepared To Curtail Services

From Our Own Correspondent

MONTREAL. — Closing of more branches and curtailing or suspending certain services over the next few months as Canadian banks' share in restriction of wartime civilian activity, was indicated by Charles St. Pierre, president, at the annual meeting of the Canadian Bankers Association here last week. This step, he added, reflects the views of the authorities at Ottawa and must be taken by the banks as part of their share in the curtailment of normal activities being experienced by business generally.

In enlarging upon the part the banks have taken in the war effort, Mr. St. Pierre pointed out that the number of banking offices in Canada has already been reduced by a net of 143 since the end of 1939, a decline of more than 4% in the total of branches, sub-agencies and other offices.

The number of sub-agencies has risen to 619, a gain of 23, which partly reflects the opening of bank offices to serve men in military camps and conversion of some branches into part-time sub-agencies. But the total of establishments classified as branches has been cut by 166 to a present net of 2,557.

Manpower Curtailed

Mr. St. Pierre revealed that the number of men employed by the Canadian chartered banks has been decreased by nearly 5,600 since the start of the war, chiefly by enlistment in the armed forces. Of the male employees of military age in Sept., 1939, over 5,000, or 35%, have enlisted. The proportion of women on the roster of all employees has jumped from less than 22% to more than 52%.

The total of 18,720 men employed by the banks at the outbreak of war in 1939 has been reduced by 5,582 to 13,138 by the end of last month, he reported. Of the decrease, 5,053 represented enlistments, and these constituted 35% of the 14,433 men of military age employed three years ago.

He added that out of the 4,287 men of non-military age on the banks' payroll in Sept., 1939, the majority were over military age and many of them have since retired from active duty. There have been 1,243 enlistments from among those who have joined bank staffs since the war began.

"It is not possible to forecast just what services will be eliminated," said Mr. St. Pierre, "but the public can be sure that whatever is done will result only from pressure of war. We shall look forward to the day when, with the world conflict happily over, our full services to the public may be restored."

Demand for Services

Mr. St. Pierre emphasized the banks had had to cope with a great expansion in the demand for banking facilities and had rendered a variety of other services in the fields of war finance and foreign exchange control. The demand for increased banking service had come chiefly, he said, from "the public because of ever-expanding war activities and from the government because of the various controls, war production, requirements of the armed forces and kindred factors."

In addition, he pointed out, the banks had given important aid to the war effort in supporting Victory Loans, distributing bonds to investors, providing facilities for operation of foreign exchange control, and providing loans to finance war requirements.

Mr. St. Pierre and other officers of the Canadian Bankers Association were re-elected for another year. The vice-presidents are G. W. Spinney, of the Bank of Montreal, now serving at Ottawa as chairman of the National War Finance Committee; A. E. Arscott, Canadian Bank of Commerce; S. G. Dobson, Royal Bank of Canada; and Robert Rae, Dominion Bank. Mr. St. Pierre is general manager of the Banque Canadienne Nationale.

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Weekly Bank Clearings

	Nov. 12 1942 $	Change Year ago %	Nov. 5 1942 $
Halifax	4,078,951	+36.0	4,958,333
Saint John	2,333,730	+32.6	3,143,237
Moncton	1,168,009	+11.4	1,476,543
Sherbrooke	956,036	+14.4	1,184,802
Quebec	7,131,553	+31.0	8,312,295
Montreal	132,959,830	+25.6	182,322,436
Ottawa	197,611,745	+386.7	170,650,490
Kingston	831,472	+19.5	973,508
Peterborough	837,404	+23.7	935,517
Toronto	135,239,943	+18.6	219,123,434
Hamilton	6,549,945	+2.0	8,122,349
St. Catharines	1,296,139	+9.0	1,509,414
Kitchener	1,193,497	+6.7	1,484,976
Brantford	1,161,479	+16.6	1,377,145
London	2,896,171	+24.9	5,919,774
Chatham	782,245	+12.4	1,008,096
Windsor	3,966,834	+25.4	4,318,702
Sarnia	533,396	+14.5	587,314
Sudbury	1,190,152	—7.2	1,189,513
Fort William	1,005,509	+10.7	1,345,138
Winnipeg	64,315,694	+30.1	68,986,411
Brandon	624,366	+45.3	736,804
Regina	8,750,852	+29.2	13,736,717
Moose Jaw	971,747	+34.8	1,174,863
Saskatoon	2,027,718	+15.1	2,495,382
Prince Albert	632,170	+15.9	....
Edmonton	7,122,645	+36.0	8,101,551
Calgary	8,498,040	+23.6	10,497,625
Lethbridge	1,514,897	+36.9	1,048,424
Medicine Hat	522,028	+26.5	554,492
N. W'minster	969,381	+30.3	1,102,292
Vancouver	21,623,322	+14.7	30,065,638
Victoria	1,891,580	+7.7	2,380,066

Life Companies Losses Small At Shanghai

Practically No Assets There at Time of Japanese Occupation

Losses of Canadian life insurance companies doing business in Shanghai at the time the Japanese took full control of the settlement were negligible, according to P. R. M. Wallis, Oriental Manager of Confederation Life Association.

Mr. Wallis had his headquarters at Shanghai and after the Japanese took over control on Dec. 8 was a virtual prisoner until he was released under the recent diplomatic exchange between Japan and the United Nations. He came back by way of Lourenco Marques in Portuguese East Africa, from there to England and thence home, a trip taking two and a half months and four-fifths of the way around the world.

General attitude of the Japanese toward companies of British and United States ownership Mr. Wallis describes as simply one of wholesale professional looting. In some cases they would pretend to take over a firm by purchase of the stock, but this was done in such a way that the foreign stockholder got nothing.

Suffered Little

The insurance companies possibly got along better than any other business concerns in the occupied territories because their assets on the spot were negligible.

Shanghai before the war was an international settlement, and on Dec. 8 the Japanese just extended their control over the British and United States sections. As business houses were taken over, European staffs for the most part were kept on to operate them for the time being. Eventually there was some unemployment and some were put on National relief, supplied by the British or American authorities.

Lost No Time

When the Japanese started war with United States, Mr. Wallis said, they lost no time in Shanghai. By 10.00 a.m., Dec. 8, all foreign banks and oil companies had been taken over.

The insurance companies were subjected to supervision from March 1 on. Policies and accounts in foreign currencies, that is in British or U. S. currencies, were frozen. None of the companies affected did precisely what the Japanese wanted them to do. The Confederation Life, for instance, Mr. Wallis stated, followed their own company policy rather than that outlined by the Japanese. No new business was written, but policies in Chinese dollars were renewed until April 16.

Contact All Interested

As regards other currency policyholders, the company has been endeavoring to contact all far eastern owners and beneficiaries and has succeeded in getting in touch with a great many. The Association has tried to give them every opportunity to keep their policies in force and to give every protection to its policyholders. Strict legal requirements were relaxed by the Association in its endeavors to give service to its clients.

For instance, suppose a Canadian living in Shanghai at the time of the Japanese occupation had a policy with the Confederation Life. The Association at once got in touch with his relatives in Canada or other unoccupied territory and gave them a chance to keep the policies in force by paying the premiums in Canada as they came due.

Because it had not been necessary for Canadian companies to keep deposits in Shanghai, all assets there were very small, in some cases none at all. The main item acquired by the Japanese was the office furniture. A record of this is on file, however, and it is expected that the Japanese Government will be made to pay compensation when the war is over.

Few Policies Surrendered

Once the Japanese got full control of the companies they invited Chinese dollar policyholders to file their claims, but as funds on hand were insufficient this couldn't be done. As a matter of fact, the public didn't want to do it and only seven small local currency policies in the Confederation were surrendered in Shanghai through the Japanese. For some months previously, the staff of Confederation Life had gradually been reduced and most of them were transferred before the actual occupation. The Confederation Life, he stated, had no investments whatever in China either at Shanghai or Hong Kong except the office equipment. Any investments companies had in Malaya were automatically converted into sterling and taken out of the country.

At Hong Kong

Asked regarding atrocities at Hong Kong, Mr. Wallis said the half had not been told. C. G. Jack, the the Association's Manager at Hong Kong, he stated, was now a military prisoner of war, but has been heard from and is known to be well. A. R. Hogg, the Singapore manager, like all others of that city has not been heard of.

Staff Changes

The Royal Bank of Canada announces the following staff changes:

E. A. BUSHNELL to be manager at Arvida, Que.

M. A. HULL, manager, Monkland and Beaconsfield, Montreal, to be manager, Point St. Charles, Montreal.

B. U. BOUSQUET, accountant, Sherbrooke, Que., to be accountant, Quebec City.

J. L. KINSELLA to be accountant, Bonaventure, Montreal.

E. O. LACROIX, accountant, Place d'Armes, Montreal, to be accountant, Sherbrooke, Que.

R. McMAHON, accountant, Brockville, Ont., to be accountant, Sherbrooke and Bleury, Montreal.

E. A. McRAE to be accountant, East End, Vancouver.

Bonds Form Larger Part Of Banking Assets

Changing trends in the employment of assets of the Canadian chartered banks have been one of the features of the Canadian banking system in recent years.

Annual statements of the banks themselves and the monthly returns of the chartered banks to the Minister of Finance have shown an increasing percentage of bank assets in investments while the percentage of assets in loans has been declining.

These divergent trends have been evident since about 1931 but have become accelerated since the beginning of the war.

The accompanying table shows the total of assets, loans and investments at Sept. 30 this year, a year ago and in 1939, also the percentage of loans and investments to total assets on the dates mentioned.

	Sept. 30 1942 $	1941 $	1939 $
Total assets	4,561	4,053	3,604
Total investments	2,340	1,696	1,502
Total loans	1,250	1,452	1,270
Percentage to Assets			
Total investments	51.3	41.8	41.7
Total loans	27.4	35.8	35.8

These figures show that while investments and assets both show substantial increases over three years ago, total loans, including loans outside Canada, are slightly lower.

Larger Population

On Sept. 30, 1939, almost 42% of the total assets were in investments, while almost 36% were in loans. On Sept. 30, 1942, the percentage of assets in investments had risen to over 51% while the percentage in loans had fallen to about 27%.

Back in 1931 current loans alone comprised about 40% of the assets of the Canadian chartered banks while securities held were under 20%. In 1926, investments were 18.6% of total assets, while loans were 58.3%.

When the depression came in the early '30's the banks' loans decreased and as the banks had to find employment for their funds they bought government bonds.

During the past few months bank investments have increased sharply due to the purchase of the government's deposit certificates which have totalled $645 millions.

While investments are a source of revenue to the banks, they are not so remunerative as loans. The rate of interest on loans normally at about 5% to 6% is substantially above the 3% or less yielded by gilt-edged securities.

Bank of Canada Advances Up

Indicates Borrowing by Commercial Banks for Victory Loan Campaign

Advances by the Bank of Canada to chartered banks or the Quebec savings banks have increased $1.7 million, according to the statement for the week ended Nov. 11.

This item, not usually shown in the weekly statement, made its first appearance for some time in the week ended Oct. 28, when $500,000 was shown. This rose to $1 million by Nov. 4 and to $2.7 millions Nov. 11. These advances are believed due to borrowing from the Bank of Canada to assist in the Victory Loan campaign.

Investments of the Bank of Canada were down slightly while miscellaneous assets also were lower.

On the liability side, note circulation was again higher while deposits of the chartered banks and the Dominion Government were lower.

Liabilities	Nov. 11 1942 $	Nov. 4 1942 $
Capital paid-up	5,000,000	5,000,000
Notes in circ.	666,659,459	664,415,691
Rest fund	5,585,705	5,585,705
Deposits: Dom.	40,840,742	71,023,971
Banks	272,579,384	276,369,861
Other	28,938,326	19,727,966
Total deposits	342,358,452	367,121,798
All other	16,755,544	17,396,123
Total liabs.	1,036,359,160	1,059,519,317
Assets		
In Sterling & U.S.	503,436	503,437
Subsid. coin	65,957	109,789
Advances	2,750,000	1,000,000
Investments:		
Dom. gov. sh.	796,956,994	794,283,225
Other Dom. gov.	200,460,308	196,099,008
Total invest.	997,417,302	999,382,233
Premises	2,215,048	2,211,327
All other assets	3,407,417	65,312,531
Total assets	1,036,359,160	1,059,519,317

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War has created
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Giving Wings to Words
WARTIME TELEPHONE TACTICS
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• SPEAK DISTINCTLY, directly into the mouthpiece.
• ANSWER PROMPTLY when the bell rings.
• BE BRIEF. Clear your line for the next call.
• USE OFF-PEAK hours for Long Distance calls: before 9.30 a.m., 1-2 p.m., 5-7 p.m., after 9 p.m.
These things may look trifling, but on 6,500,000 daily telephone calls, they are very important.

THE FINANCIAL POST

Toronto, November 21, 1942

Have Stock Markets Scraped Bottom Yet?

Signs That Canadian and U. S. Markets Are Beginning to Follow British Pattern Have Great Significance for Investors and for Postwar Planning

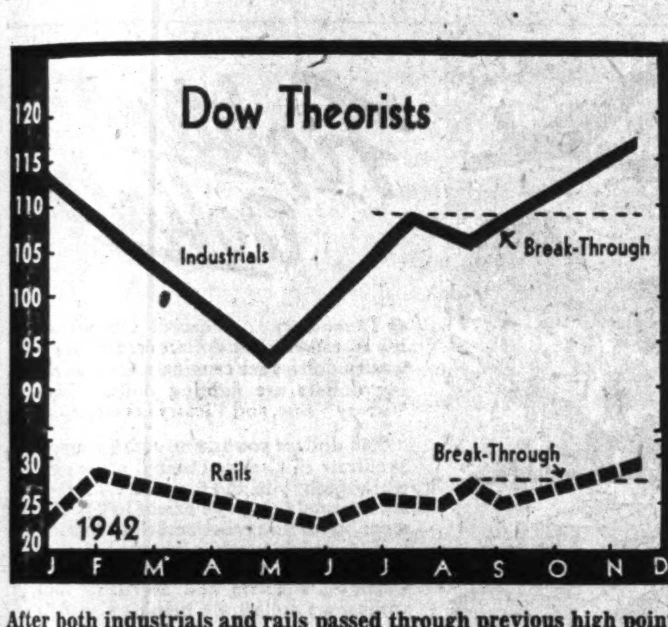
Has the turn come in stock prices?

The answer to that question involves more than whether investors are about to recoup some of their wartime losses, more than a return of activity to stock exchange trading posts and brokers' board rooms.

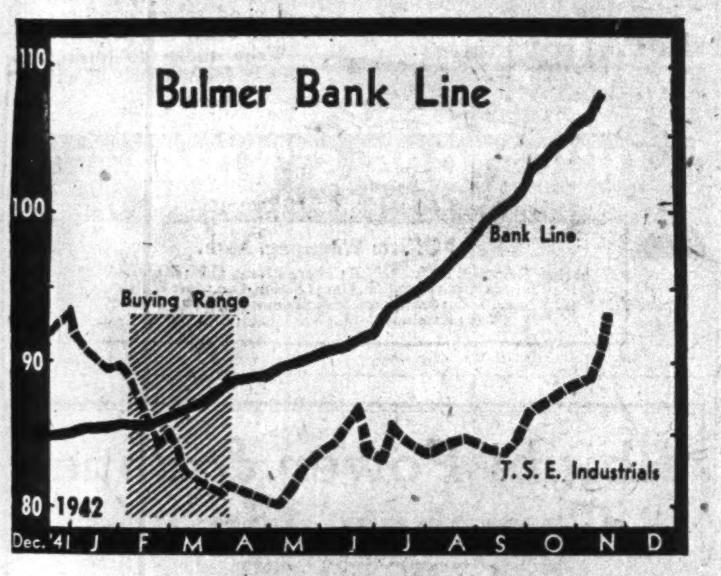
If stock prices are past their wartime lows, and if they have not lost their historic gift of prophecy, it must indicate that the horizon is becoming clearer for a return to a world of free enterprise in which private investment will continue to be a major factor in economic life.

For the more immediate question, whether or not the recent strength in stock markets has put us into a "bull" market, fairly definite answers have been forthcoming over the past month or so.

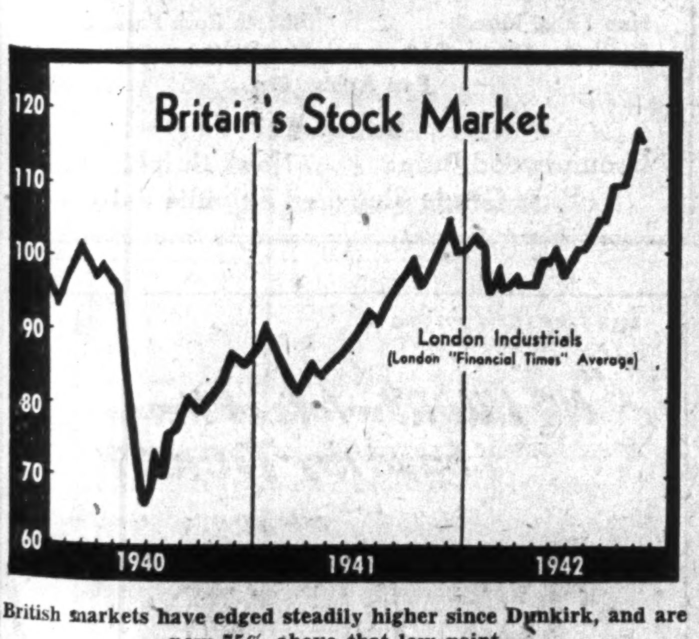
Scanning their charts of the New York Market, Dow theorists announced a "bull" market in October, when their industrial and rail averages had succeeded in breaking through previous high points (see chart).



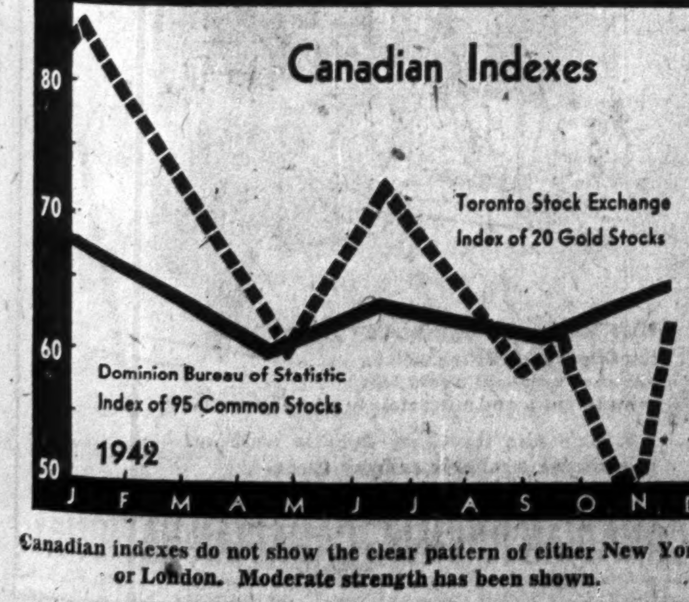
After both industrials and rails passed through previous high points, Dow theorists in October were able to proclaim a "bull" market.



When the "bank line," an index of banking figures, had moved upward for eight weeks, E. G. Bulmer & Co. announced that the market had reached a buying zone last spring. The signal has not yet been reversed.



British markets have edged steadily higher since Dunkirk, and are now 75% above that low point.



Canadian indexes do not show the clear pattern of either New York or London. Moderate strength has been shown.

Charts by The Financial Post.

Working from the financial components that constitute his "bank line," E. G. Bulmer, whose theories were described in previous issues of The Financial Post (Mar. 22, 1941, et seq.), reported stocks were in a buying area last February, has had no reverse signal since.

Less clear-cut is the interpretation of domestic Canadian price movements. Although industrial indices are higher than the beginning of the year, and the Toronto gold share index has moved up 20% from the recent lows, there is no Dow Theory of Canadian stocks that is sufficiently widely accepted to bring the positive type of statements that are being made in New York. Best that can be said is that the Canadian markets may continue to move with outside trends, that prices have certainly been demonstrating a fair degree of resilience.

Don't forget that even the most enthusiastic Dow Theory disciples make no claims as to the duration or extent of a "bull" market. There is nothing in the current predictions to indicate that stocks may not again start downward within the next day or so. And there is no indication that the "bull" market, even if it endures, will lead to any speculative excesses.

But with all the qualifications that must be made, plus a few extra to allow for the uncertainties of war, the fact that Canadian and U. S. markets are showing a more optimistic tone has more than passing significance.

The Two Laggards

In the first place, Canadian and U. S. markets have to date been the only major financial centres not to show rising stock prices until recently. British stocks have crept steadily higher since Dunkirk—despite wartime controls, concentration of industry and direct bombing, a list of hazards certainly greater than either Canadian or U. S. industry has had to face.

Similar strength has been shown in the markets of "free" Germany and "conquered" Europe. Partly due to German inflationary financial looting, the firm prices of European markets can also trace some of their strength to the stubborn refusal of European shareholders to sell.

The explanations for this continued strength in British and European security markets are varied. One of the most popular is that the stock market is the main outlet left for investment funds, which are piling up despite inflationary controls. But this explanation falls down on two counts: first, because there are other outlets for funds (real property, for example); and second, because with few new issues coming to market, purchase of securities represents only a transfer of funds, not an absorption of them.

Perhaps the most reasonable explanation is the most simple of all—that stocks are actually worth more than they were before. It is axiomatic that the value of a security depends on what it will pay you in dividends (current or anticipated) and on how sure you are of getting those dividends.

Wartime Hazards

Up until now, dividends have managed to hold fairly well. But one uncertainty after another has beset Canadian and U. S. investment markets since some time before war broke out. In the logic of things, the uncertainties and burdens that are loaded on industry in wartime must sooner or later culminate. And unless the war is to be used for anarchistic raids on established institutions, it is probable that the worst of the restrictions should culminate around the time when the country concerned reaches full mobilization.

In short, one explanation of the return of strength to the security markets all over the world, one after the other, might well be the feeling that free enterprise is returning, that few new shackles will be imposed and that the present ones may soon be removed.

Undoubtedly, the favorable war news is playing its part in the current strength. But it should be remembered that the uptrend dates from May—not from the defeat of Rommel or the successful defense of Stalingrad. And the strength in the British market dates from Dunkirk, has continued through the dark days of the Battle of Britain, the seesaws in the desert and the defeat in the East Indies.

If a "bull" market is now developing in Canada and the United States, if the bottom of the wartime depression has now been passed, it is certainly an event of great economic significance. But in the final analysis, the decision as to whether such a market is to continue will rest with the individual investor.

Accordingly, The Financial Post has invited a comment on the trend of security markets from a number of leading investment authorities, most of whom were prize winners or received honorable mention in The Post's "Investing in Wartime" contest in the fall of 1939. Their comments follow.

FROM A. T. ROSS
E. G. Bulmer & Co., Toronto

Only when the economy of the country is expanding are conditions favorable for the purchase of stocks. In the earliest stages of an expansion, and before the security markets reflect an upward trend in business, the "best" buying is done —because then, as a rule, the supply of stocks is greater than the demand.

We use the banking figures to chart the upward and downward movement of the public's assets and liabilities and thereby determine, in their earliest stages, changes in business conditions.

The accompanying chart of the bank line shows that the most recent upward trend in business began the first week of January when the bank line began to rise. Confirmation of this improvement came eight weeks later with the continued rise in the bank line, and so we advised subscribers in February to purchase securities over the next six to eight weeks, suggesting also that the major portion of the buying be completed in the latter part of this period, viz: the middle two weeks of April, anticipating that any setbacks for the Allies might temporarily depress security prices. (The lows in New York and Canada were recorded during the last week in April.)

So much for the bull market to date. Will it continue? This is a question we cannot answer; but, we can say with confidence that the basis for rising prices still exists, and we continue to recommend the purchase of stocks and low or medium priced bonds.

Lack of space prohibits our stating reasons for the selection of specific securities, hence we mention the following without comments:

Brazilian Traction
Canadian Pacific Ry.
Goodyear Tire & Rubber, Com.
International Petroleum
Moore Corporation
Dome Mines
Kerr-Addison
Lake Shore
Steep Rock
Intern. Hydro-Elec. 6/44
Algoma Central & H.B.-5/59.

When the bank line next turns down it will be to record a contracting economy, to be followed by lower prices for stocks. When that time comes, we shall recommend the sale of equities and the purchase of high grade bonds to be held throughout the bear market. Meantime, we look for higher stock prices, and, incidentally, greater gains percentagewise of Canadian securities which, as a whole, have lagged behind New York stocks.

* * *

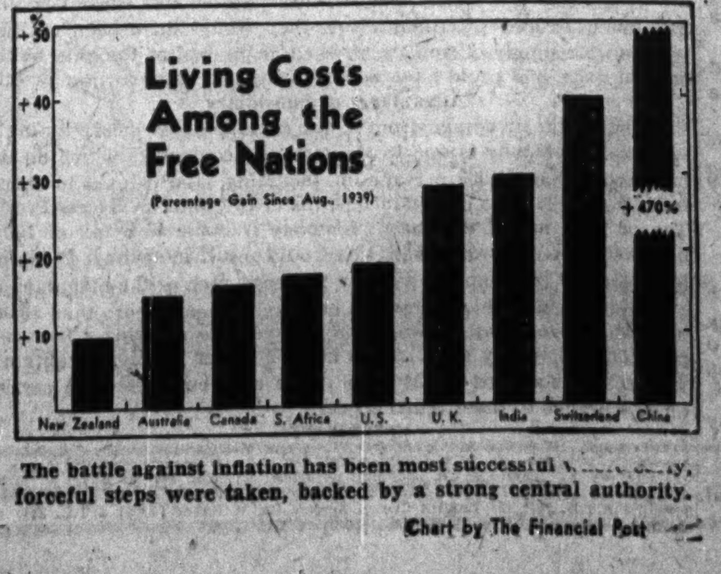
FROM S. C. SCOBELL
Jones, Heward & Co., Montreal

A year ago it was suggested that necessary readjustments in the stock market would continue. At that time it was recommended that investors maintain a defensive attitude until mid-1942, when purchases might be made.

Subsequent action seems to have warranted such caution, but during the past few months there has developed an environment which may become more favorable for an improvement in equity prices.

Although a few dividend cuts must be expected as the result of the taxes which become effective July 1, 1942, Canadian dividend payments will soon become more stabilized than they have been for many years. This may be followed by increased confidence in equities, with a consequent closing of the gap between bond yields and stock yields. Such a development has been experienced in virtually every country in the world with the exception of Canada and the United States. Elsewhere, it has been facilitated by the repatriation of investment funds, which conversely has provided a substantial source of liquidation in the North American markets. Now, however, this selling seems to have been completed.

There may remain a certain fear of a swing to socialism as exemplified by the growing popularity of the C.C.F., which is reflected in recent Gallup polls. Nationalization of the banks, for example, is a primary plank in the C.C.F. platform. Yet bank stocks as a group are already selling below the value of their cash assets. Most other stocks are correspondingly undervalued. Therefore, many of the adverse tendencies appear to have been fully discounted, and with the possibility that the economic environment will become increasingly conducive to rising equity prices, we should experience an irregular but steady advance in the stock markets. This advance will not be spectacular but the trend at least should be upward rather than downward.



The battle against inflation has been most successful where early, forceful steps were taken, backed by a strong central authority.

Chart by The Financial Post

* * *

FROM T. ANDREWS,
Bank of Montreal, Cornwall, Ont.

We are a very temperamental lot on this Continent, either riding the crest of optimism or plumbing the depths of pessimism. Our natures reflect the day to day news without regard to the long view and naturally the course of the stock market follows our reactions. For instance, selective service regulations move men from the gold to the base metal mines and immediately gold stocks lose up to 50% of their market values; later the news of an Allied victory in Africa restores a large part of the loss though the intrinsic value of the mines was not affected by either news item.

Is the bear market over? No. We have a long road to travel to victory, and there will be much depressing news before peace is restored. There is a ceiling on stock values, through taxes and other controls, almost as effective as the ceiling on commodities and wages, the only difference being that there is no bottom to stocks whereas the scarcity of commodities and labor precludes the likelihood of any recession in wages and the value of goods. The general public is not getting into the market until there are reasonable chances of capital appreciation reflecting higher profits and dividends. This will not come until Victory is definitely in sight and the investor can discount the benefits to accrue from probable reduction in taxation and the reentry into the market of foreign buying.

* * *

FROM ALLAN P. FISHER
Allan B. Fisher Ltd., Toronto

The pendulum appears once more to have swung in favor of the democratic powers, and this time so definitely that it has caused Mr. Churchill, who at no time is overly optimistic to say "this is the end of the beginning."

This phrase may accurately be applied to security markets in this way. For some lengthy time now security prices have been floundering, apparently trying to establish what we would like to accept as a bottom level, below which prices could not sag in spite of continued bad news and reverses.

This appears to have been accomplished by both the New York and Toronto Stock Exchanges within the last two months and, with such successes as it has been our good fortune to enjoy lately.

The trend of security prices will still be governed by the amount of money available for investment and this in turn will be curtailed somewhat by the large amount of borrowing which will be necessary for some considerable time yet and indeed probably for a year or so after the termination of the war. However, a consensus of public opinion and an analysis of stock market indices portends at least for the time being the end of the bear market which we have suffered since war began in 1939.

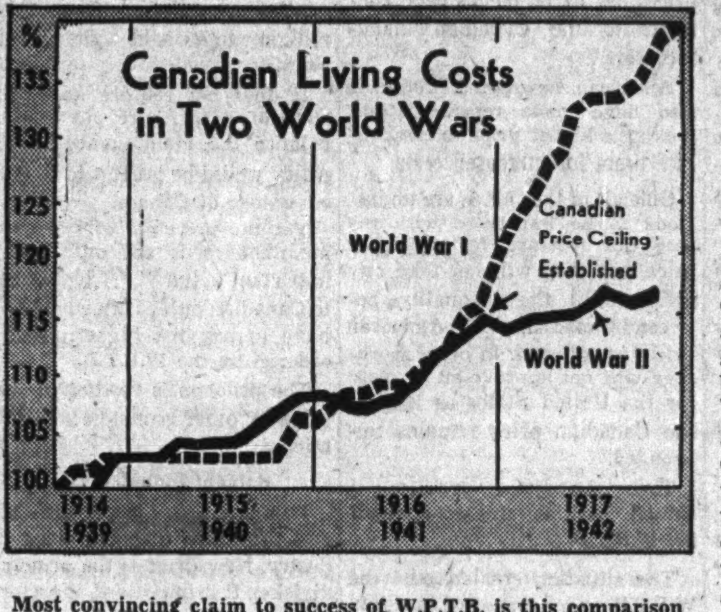
One Year of Price Control

Canada's Challenge To Inflation Passes Its First Birthday

In this, the first of three articles, Kenneth R. Wilson appraises the overall effectiveness of the Dominion's price ceiling programme after a year of operation. In subsequent articles, he will deal with the important problems of how accurately the cost-of-living index measures the true costs of living in Canada, and what lies ahead for the controllers of prices and wages.

By **KENNETH R. WILSON**

After one year of operation, Canada's unprecedented experiment in price control may be voted a success. What may or may not happen in the next 12 months is another story, but what has happened in the past year is a brilliant economic achievement, marred by far fewer failures than we had the right to expect.



Most convincing claim to success of W.P.T.B. is this comparison of trends in two wars.

Chart by The Financial Post

The most obvious hallmarks of this success are:

(1) The Canadian cost of living index itself.

(2) The tribute which the United States paid to Canada's price ceiling when it adopted our control policy almost in its entirety a few weeks ago.

Link With U. S.

When this country embarked on an overall price ceiling, described by Prime Minister King as "an experiment hitherto untried on this continent and . . . hitherto untried by the will and consent of any free people anywhere," it was clear that the programme was closely related to the price and inflationary control policies of the United States.

Canada did isolate her price economy in large degree from that of the United States a year ago, but to maintain that isolation in face of a runaway U. S. price level, would have been both hazardous and costly. When the United States started to apply anti-inflationary brakes last spring and again this fall, generous tribute was paid to Canada's courage and foresight in acting as the world's price-ceiling guinea pig.

In Canada the immediate and most important barometer of price control success is the official cost-of-living index prepared and issued on the fifth of each month by the Dominion Bureau of Statistics. It does not tell the whole story, but it proves that Canada did nip an inflationary price increase in the bud. Thus, in the first eleven months of 1941, Canada's index of wholesale prices advanced 11.6%; the cost of living index moved up 7.7%. In eleven months of price control the wholesale price index rose only 3% and the cost of living index by 1.3%.

Checking on Prices

How valid is the cost-of-living index itself, after one year of price control and three years of wartime curtailment and restriction?

Actually a special test is under way this month to check the honesty and accuracy of "reported" prices, compared with those which consumers are charged from day to day. An earlier check, six months ago, revealed very little variation.

So far as the composition of the index is concerned, some changes in its components to reflect the fact that bananas and tires (for example) are no longer on sale, may shortly be made. It is not expected that these changes will greatly affect the final result, since it will be attempted to distribute expenditure on the "unavailable" items among other alternate forms of food, transportation, etc.

In short the official and "expert" view is that the index is still a valid and accurate yardstick for measuring Canada's cost of living.

The Reasons Behind

What factors have been largely responsible for Canada's ability to maintain the price ceiling, and what are the chief problems and pitfalls which lie ahead?

Most important ingredient in success of the price ceiling has undoubtedly been management.

This managerial excellence has been evident in at least two important ways:

1. Flexibility of policy and procedure within the basic framework of an overall price ceiling.
2. Willingness to let trades and industries "carry the ball" through self-appointed administrators named for the most part from within the trade group itself.

Early willingness of Chairman Gordon to adopt a grass roots approach to questions of policy and procedure was shown even before the ceiling came into effect. When Prime Minister King first announced the price ceiling on October 18, 1941, he stated that it would be applied to all commodities "horizontally," that is, at every stage of production or distribution. This principle was stated clearly in the original order-in-council (P.C. 8527).

Yet because of its apparent impracticability, the horizontal ceiling was abandoned almost immediately. When the initial statement of policy was issued on November 21, 1941, the programme called for a "retail freeze" — a rigid "individual" ceiling on all retail prices.

Ceiling Adjustments

Even this programme has been altered in detail (though seldom in principle) since that time. In a recent publication, the W.P.T.B. lists nine specific ways in which price ceiling problems have been met. These are:

1. Exemption from the ceiling where administrative problems have been excessive.

There are now roughly 25 groups of commodities exempt from the price ceiling, most of which were exempted in the original order of Dec. 1. Most important exemptions are: fresh fruits and vegetables; seeds; fur skins; some types of fish; printed matter; securities and bills of exchange, etc.; sales by one primary producer to another and sales of certain farm products by primary producers to manufacturers or processors; alcoholic beverages; goods and services sold to the Department of Munitions and Supply; sales for export; goods sold at auction.

The ceiling has also been extended in several cases, notably to several groups of services and by the extension of maximum prices for a number of used goods.

2. Puncturing of the ceiling. The ceiling has been deliberately raised in the case of beef, in various canned fruit and vegetabe lines, and in a number of foodstuffs and grocery items. It has also been punctured for prices of fuelwood in certain areas.

3. Adjustment of price anomalies. Where retail prices for a particular commodity have been proved abnormally low (biscuit prices in Quebec and the Maritime Provinces) a raising of the retail ceiling to "appropriate" levels has been permitted.

Actually there have been thousands of individual adjustments for retailers caught with "anomolous" prices during the basic period.

4. New or modified goods. The board has laid down a definite procedure which was clarified and extended on July 13, 1942. All maximum prices on such goods must be approved in writing by the individual administrator and concurred in by the administrators of wholesale and retail trade and countersigned by the Chairman of the Board.

5. Formula ceilings. These replace individual ceilings for certain products and cover cases in which a permissible mark-up with set maximum prices is allowed. For example a country-wide "formula" for pricing eggs has now been laid down by the board. Formula ceilings apply to late only on certain foodstuffs.

6. Standard maximum prices. Standard or maximum prices for an entire commodity have been established at different times. These replace individual ceilings. Typical examples: tin, critical steel, pulpwood in certain areas, oak flooring, tea, farm machinery.

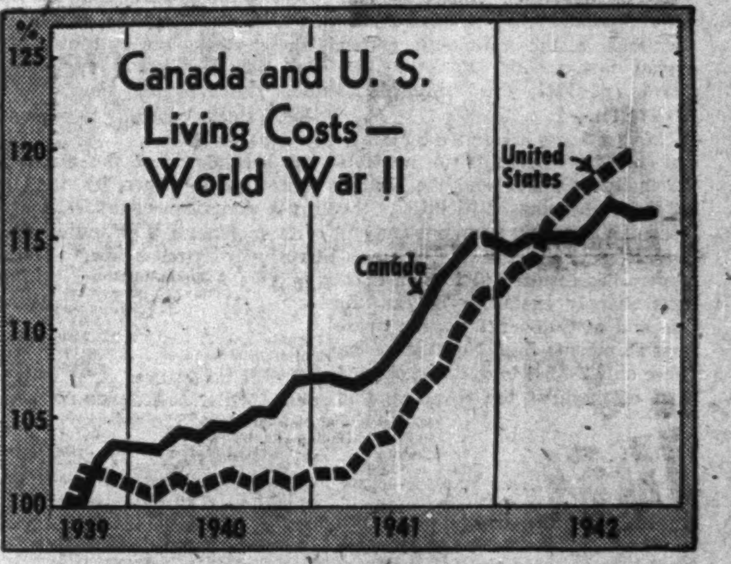
7. Normal seasonal variations. A typical example is spring and summer lamb which last January was temporarily exempted from the price ceiling to permit normal seasonal price rises. On August 16, lamb was again brought under the ceiling. That means that prices revert to the level which prevailed in the base period, September 15 to October 11, 1941.

8. Adjustments in the dairy industry. These include a producer's subsidy of 5 cents a pound on butter effective July 6, 1942; a renewal of an original subsidy to fluid milk producers (the new subsidy is 25 cents per 100 pounds) plus a fixing of minimum producer prices (this represented an average increase of about 10 cents per 100 lb.) plus an increase in the retail price of milk in Vancouver, Halifax and Montreal and other centres. The aim here has been to secure a better balance of prices of dairy products which compete against each other for milk supplies.

9. Squeeze adjustments. Most of these occurred in the first six months of price control. One recent and typical adjustment was the stabilizing of cotton yarns and cloths produced by Canadian mills, at the price levels which prevailed in Feb. 1941.

The initial adjustment took place in Dec., 1941, when mill prices for most cotton yarns and fabrics were reduced to quotations prevailing at May-June, 1941, to permit the trade to oper-

(Continued on page 14, col. 2)



Continued upward movement of U. S. prices would constitute a major threat to Canadian controls.

Chart by The Financial Post

Higher Newsprint Price Under Study

Joint Action by Canada-U. S. Considered Possible

By JOHN E. LANGDON

MONTREAL.—Within the next few weeks a decision will be reached as to whether or not the price of Canadian newsprint paper will be increased from the present $50 a ton, a level which has been maintained voluntarily and of late by government order, a period of 59 months.

It is not certain that a price increase will be allowed. However, it can be said the matter is definitely engaging the attention of the manufacturers and the governments in Canada and the United States.

A price advance of $5 a ton is mentioned in some quarters. In other and equally well-informed circles, it is believed the advance may run as much as $7 or $8 and, possibly, $10 a ton.

Rests with Authorities

The decision now rests with the price fixing authorities in Ottawa and Washington.

When it comes, it may come suddenly. Under existing contracts with the publishers, it would be necessary, in normal times, to give 30 days' notice of a price change.

With prices under control of the Canadian and American Government agencies, the price-change clause in the contracts does not necessarily hold good and an increase can be ordered overnight.

Holds Unique Record

Newsprint is the only international commodity which has not advanced in price since the war started. In fact, the price has been unchanged since the beginning of 1938.

At the outbreak of war the Canadian industry adopted a price policy which was designed to prevent a runaway market. This policy was to hold the price to the existing level until such time as higher costs, etc., made it necessary to readjust prices.

While the matter of additional costs and solvency of the industry are matters of great import to the newspaper operators, they also have to consider the position of their customers—the American and other publishers.

A price increase coinciding with a curtailment of production might easily lead the American publisher into believing that the mills are merely trying to get their costs back and that it will be the publisher alone who will bear the brunt of the burden of curtailment.

Have Own Problems

The publishers have by no means been free of problems in recent months, nor is the immediate prospect any too cheering. Therefore any move to adjust newsprint prices upward at this time will have to be handled with considerable care if the publisher goodwill created over the past five years is not to be lost by the manufacturers.

There is every evidence of a desire on the part of the publishers to bear their share of whatever burdens are created by wartime conditions. But it would be unfortunate for the newsprint industry if the impression were created that more than a fair share of the burden is being passed along to the publisher who already has plenty of troubles of his own to contend with.

Though conditions were such that the manufacturers could have taken advantage of the changes brought about by war conditions to boost the price of their product, the old rate was held until the end of 1941.

Started in December

At that time the principal manufacturers announced that beginning with the second quarter of 1942 the price on newsprint sold in the United States would be increased $3 a ton.

A short time previously the Wartime Prices and Trade Board froze prices in Canada and thus prevented any change in the domestic price of newsprint paper. The W.P.T.B. order did not extend to export prices, so that the Canadian manufacturers were free to adjust their price schedules.

Before the price increase was scheduled to go into effect, the Office of Price Administration in the United States—a body corresponding to the W.P.T.B. in Canada—stepped in and froze American prices. At the same time the O.P.A. announced that no American publisher could pay more than he had been paying for his newsprint paper.

O.P.A. Prevented Rise

In this indirect way the O.P.A. prevented the Canadian mills from advancing the price of their product in the American market.

At the same time the O.P.A. announced that an enquiry would be held to see whether or not the newsprint price increase was justified. The O.P.A. not only made it a governmental enquiry, but drew the W.P.T.B. into the picture even though it was not directly concerned with what price the Canadian manufacturers charged in export markets.

Though the results of this enquiry were never made public, it is understood the manufacturers had no difficulty in presenting a case justifying the proposed price increase.

The report of this board was never acted upon. A second enquiry was set up. The manner of approach of the second group from the O.P.A. was such as to make it impossible to arrive at a decision.

The matter of the price increase on Canadian newsprint was hoisted for the time being.

Kept Up Fight

The manufacturers did not rest in their efforts to secure an upward adjustment in prices.

Later in the year they applied to the O.P.A. for an adjustment of prices in order to compensate them for increased freight charges.

The contracts are all predicated upon the ability of the manufacturers to deliver paper by water to certain port cities, with a differential to allow for rail freight on paper that has to be shipped inland to cities within the zone where a base port is located.

With the curtailment of shipping, the manufacturers found it impossible to continue delivering by boat and, as a consequence, had to use the more costly rail services.

The O.P.A. again conducted an enquiry and again refused to allow the manufacturers to adjust prices to compensate them for increased delivery costs.

U. S. Mills Interested

The fight for better newsprint prices has by no means been confined to the Canadian manufacturers.

American newsprint producers also have made representations seeking a higher price to compensate them for increased costs.

Officials of the O.P.A. are understood to be impressed with the case put forward for a higher price, but they will not take any action until the inequality between Canadian and American prices is adjusted. In other words they will not approve an increase for the United States as long as the Canadian price remains unchanged.

Thus the price problem is thrown back on the doorstep of the W.P.T.B.

The situation created puts the W.P.T.B. in an awkward position.

Basically the Board is not interested in the price charged by a Canadian manufacturer on goods exported. Its interest is confined to maintaining a price ceiling on articles offered for sale within the Dominion.

Ordinarily such a situation which has arisen in newsprint, if applied to any other article would be side-stepped by the Prices Board. But newsprint is far too important in the Canadian economy to be pushed aside.

An Essential Product

Newsprint is an essential product in maintaining Canada's trade balance in that its sales in American dollars provide the Dominion treasury with some $150 millions in U. S. funds each year. This is the largest source of American exchange of any product exported from Canada aside from gold bullion.

It is true that the Hyde Park agreement has resulted in placing sufficient American wartime business with Canadian manufacturers to greatly ease Canada-U. S. exchange problem. But such business does not completely offset our debit balance of international payments with the U. S. Moreover in the event of the U. S. cutting down on purchases in Canada as its own plants come into full operation, the newsprint industry again may become a highly important factor in maintaining a balance of payments with the U. S.

Stakes Are High

The problem that faces the Wartime Prices and Trade Board is whether or not it will prevent a puncturing of the price ceiling on newsprint sold in Canada and thus prevent a rise in the price of newsprint sold in the States.

By doing this the W.P.T.B. maintains a price ceiling on somewhat less than 200,000 tons of newsprint sold in Canada and prevents a price rise on nearly three million tons sold outside the country.

It does not require an expert statistician to figure out that on balance the maintenance of this policy would be greatly to the disadvantage of Canada.

Yet the principle of price and maintenance is not only highly important to the W.P.T.B., but also to Canadian publishers who would have to pay the higher price if ordered by the W.P.T.B.

The problem is further complicated by other economic considerations.

Solvent Industry Vital

Pulp and paper is Canada's largest peacetime manufacturing industry. Newsprint is the principal division. It is important, therefore, to keep this industry in a solvent condition as its activities will be of considerable importance in the postwar rehabilitation period.

There cannot be the slightest doubt but that the costs of the newsprint manufactures have risen since 1938.

Labor is more expensive.

Pulpwood is more costly.

Taxes are greatly increased.

Sulphur, felts, wires and other materials are considerably higher in costs.

Transportation charges have jumped.

It is freely admitted that the premium received on sales in American dollars has, in effect, been the equivalent of an increase of $5 a ton.

This premium which became available at the outbreak of war went largely to offset the increase in costs in 1938, 1939 and 1940 and tended to defer the price increase which would have come about long before December 1941 when the manufacturers made their move to secure an adjustment of prices.

Face More Problems

Another factor which helped the producers to maintain prices was that the high rate of operations lowered administratve and other fixed charges to a low level per unit.

For some months past the rate of production has tended downward.

Moreover, the industry has had to give up 150,000 h.p. of electrical energy for use in war industries.

In addition there has been an actual enforced contraction in output, while the industry as a whole has had its maximum production frozen to the average level prevailing in the six months period April-September 1942.

The contraction which is now taking place is by no means fixed; more is in sight, a prospect which both the governments in the United States and Canada, as well as the manufacturers, know only too well.

The premium which the Canadian manufacturers received on American dollar sales has long since been swallowed up in higher costs. The net return per ton in Canadian dollars has been under constant shrinkage for some months past.

With what has already taken place and what is in prospect, it is becoming increasingly apparent that some relief must be afforded if the industry is to be kept solvent.

The industry is not seeking compensation for the power taken away or the divergence of its labor supply to other activities more directly concerned with the war effort. It is, however, seeking to secure an equitable price for its product.

Representations have been made both at Ottawa and Washington and the matter of an upward adjustment of price for newsprint paper now rests with Donald Gordon, as head of the Wartime Prices and Trade Board and Leon Henderson, his opposite number in the U. S. Office of Price Administration.

A decision which in many quarters is expected to be favorable to the manufacturers will be made, most likely, before the year is out.

Robt. Mitchell Co.'s declaration of a $1 dividend on the capital stock payable Dec. 15, brings total payments for the year up to $2 a share. This contrasts with $1.50 paid in 1941. At the present market value the stock is yielding slightly over 15%.

Canadian Mills Cut Paper Stocks

From Our Own Correspondent

MONTREAL. — Indicative of publisher accumulation, stocks of newsprint paper on hand at Canadian mills at the beginning of this month were lower than at any time in the past five years. They were almost half of what they were a year ago.

Both the American and Newfoundland mills also record a further decline in inventories of finished paper, with the current aggregate of 177,809 tons being 90,000 tons less than at the same time in 1941.

Mill Stocks of Newsprint
(End of October)

	1942	1941
Canada	95,265	162,582
United States	11,310	11,614
Newfoundland	71,234	82,833
Total	177,809	257,029

Marketings of Newsprint Off 200,000 Tons To Date

From Our Own Correspondent

MONTREAL. — North America mills marketed 200,000 tons less newsprint paper in the 10 months ended Oct., 1942, than was the case a year ago.

On the basis of returns compiled by the News Print Service Bureau and the Newsprint Association of Canada, Canadian, American and Newfoundland mills shipped 3,745,102 tons in the ten-month period ended last month. For the like period of 1941, they shipped 3,948,494 tons.

The decline is accounted by a falling off in shipments to markets other than Canada and the United States. Shipping difficulties, the need of conserving exchange and enforced reduction in sizes of newspapers has resulted in foreign markets sharply curtailing orders. To the end of October this year overseas shipments from North America were only 242,581 tons, or almost one half of those of the corresponding period in 1941.

Demands from Canadian and American publishers have shown a moderate increase. This reflects an accumulation of stocks rather than actual increase in consumption. Under the terms of the new conservation or freezing order, paper users in the two countries are limited to 90 days' supplies. As the publishers' stocks are still well below that figure, it is expected the October statement will show a further rise in stocks probably to as much as 70 days or better.

A breakdown of the marketings of newsprint paper by the three North American countries, together with a general distribution of deliveries is set out below:

Recapitulation
(Tonnage Marketed)

	January-October 1942	January-October 1941
Canada	2,710,070	2,814,523
United States	799,172	852,452
Newfoundland	235,860	281,519
Total	3,745,102	3,948,494

Marketings of Newsprint
(10 Months Ended October)

From:	Canada 1942	Canada 1941	United States 1942	United States 1941	Overseas 1942	Overseas 1941
Canada	168,966	161,900	2,370,438	2,239,962	170,666	412,661
United States	......	......	799,172	852,452	......	......
Newfoundland	......	......	163,160	172,477	71,915	108,447
Total	168,966	161,900	3,332,770	3,264,891	242,581	521,108

Are You Paying Too Little or Too Much?

What is the Proper Tax For Your Business to Pay?

To answer the questions involved in today's complicated tax setup, Molyneux L. Gordon, K.C., Toronto, has written this new and authoritative series of articles for The Financial Post.

Mr. Gordon has specialized on tax questions, and is the author of "Digest of Income Tax Cases of the British Commonwealth of Nations," published by the Department of National Revenue, Ottawa, 1939 with one supplement 1937-39 and another to appear next April. Mr. Gordon is also the author of, "Digest of Excess Profits Tax Cases of the British Commonwealth of Nations, 1942." Any of these works may be obtained on application to The Financial Post, Toronto.

Taxes on Subsidiary Companies

ARTICLE NUMBER NINE

By Molyneux L. Gordon

A subsidiary company is usually formed by the parent concern to carry on a special branch of the main business, but for Income Tax purposes, this procedure may be very dangerous.

Unless the parent company and the subsidiary corporation are permitted to file a consolidated return, it is clear that if the parent company makes a profit of $15,000 per annum and the subsidiary company a loss of the same amount, the profits cannot be set against the loss. As a result the separate operation may pay a heavy tax, although the combined trading profit is nil.

A parent company and a subsidiary company may be permitted to file a consolidated return upon payment of an additional tax of 2%.[1] The permission to file a consolidated return is only given where the subsidiary company carries on the same general class of business and has fiscal periods substantially coincident with the parent company.

Consolidated Returns

This provision is very limited as it has been held by the Canadian Exchequer Court [2] that a company whose main business is holding and managing investments did not carry on a similar business to a company which was engaged in mining.

Under a similar statute in England the Courts have held [3] that a company which manufactures boots and shoes does not carry on a similar business to a company which sells the same retail.

It is therefore most important that in all cases where a parent company is considering the incorporation of a subsidiary that a ruling should be obtained from the Department as to whether the two concerns will be entitled to file a consolidated return.

Inter-Company Accounts

All transactions between a parent company and a subsidiary are most carefully scrutinized. If goods are sold by the parent company to a subsidiary or by a subsidiary to the parent company at prices in excess of or below the fair market value, the Minister may determine the proper prices and tax accordingly.[4]

If a Canadian company makes advances to a non-resident company and such advances remain outstanding for more than a year without payment of a reasonable rate of interest, the Minister may determine the rate of interest which ought to have been obtained and add the same to the profits.[5]

In Case of Loss

We must next consider the difficulty which might arise if the subsidiary experiences financial difficulties. In most cases, all moneys which may be lost by the parent company by subscribing for stock,[6] loaning money to the subsidiary,[7] or purchasing goods for future delivery,[8] are considered capital expenditures of the parent company and non-deductible, notwithstanding the fact that if the parent company had not incorporated the subsidiary and had carried on the business in its own name, most of such losses would have been deductible.

An example of the unfortunate situation which may develop through dealing with a subsidiary company is the case of Huntley & Palmers, Ltd.,[9] the well-known biscuit manufacturers. It incorporated a subsidiary company to make tins and this company, prior to the depression, purchased a large quantity of tinplate which dropped considerably in value. Huntley & Palmers then purchased the completed tins at cost plus 10% and desired to value them for inventory purposes at the market price which was considerably lower than the actual amount paid. It was held that this was an indirect way of putting money into another business and was a capital loss, and non-deductible.

If Huntley & Palmers had not incorporated this subsidiary and had manufactured tins themselves, they would have been entitled to value the supply of tinplate on hand at the end of the year at the market price and could have deducted the loss from current profits.

Advantages of Subsidiary

The main advantage from a tax standpoint in incorporating a subsidiary company is due to the fact that companies which do not earn more than $5,000 per annum, including salaries paid to shareholders, only have to pay an income tax of 18% plus an Excess Profits Tax of 12%, and if the parent company is liable to a tax of 100% under the Excess Profits Tax, this would result in savings. If, therefore, you are contemplating a new business, such as the manufacture of munitions, and this business is not likely to earn more than $5,000 per annum, you may obtain an advantage by organizing a new corporation and in any event might be in a better position to obtain a satisfactory standard profit than if the new business were carried on as a branch of the original concern.

REFERENCES

(1) Income War Tax Act, s. 35; (2) Wilson and Minister [1938] Ex. C.R. 246; (3) Laycock v. Freeman, Hardy and Willis [1939] 2 K.B. 1; (4) Income War Tax Act, s. 23 (a) and (b); (5) Kayser & Co. and Minister [1940] Ex. C.R. 66; (6) Baker v. Mabie Todd & Co. [1927] 13 T.C. 235; (7) Associated Theatres Ltd. v. Commissioner [1935] 3 A.T.D. 247; (8) English Crown Spelter Co. v. Baker [1908] 5 T.C. 324; (9) Commissioners v. Huntley & Palmers [1928] 12 T.C. 1209.

Your Income Tax

In this weekly column, The Financial Post answers problems you may have in connection with your business or personal income tax. In some cases, where official ruling has yet to be made, The Post can only site informed opinion.

Gift to Friend

During the last year a friend of mine died after an extended illness. As he had practically no resources I paid most of the expenses. Can I deduct this money from my income for tax purposes?

No. We understand gifts to be deductible from income, when computing income taxes, must be made to organized charities.

Soldier's Wife

I am a married woman with a net investment income over $1,200. My husband is a warrant officer in the army and his investment income is under $300 annually. Can I claim a married person's status for income tax and deduct $150 from my tax?

No, you will not be allowed the status of a married person for income tax purposes, because your husband is not dependent on you. If there are any dependent children, however, you will be allowed to deduct $28 from normal tax and $80 from graduated tax for each one. If you pay any of your husband's life insurance premiums you will also be allowed to deduct them from your compulsory savings. Your husband being of non-commissioned rank, pays no income tax.

Wife's Income

I have made a joint income tax return for myself and my wife for some years, but I have been told she should make a separate return. She has built up an investment income of about $1,100 a year. Most of her fund grew from money of her own and gifts from me over the past 26 years. Her income was never over $1,000 until the last two years. My income is about $4,600 a year, mostly salary and earnings from my limited liability company.

Our local tax representative thinks I should continue a joint return as he believes my wife's income should be considered mostly as my gifts. Yet I can prove she has had her investments in her own rights on deposit with a trust company.

It all depends on whether your wife's income is derived from her own money or from money she received from you. Any revenue derived from presents of money, securities or property you may have given her is considered part of your income and you should pay income tax on it. Income from money she may have earned herself or may have inherited is her own and has nothing to do with your income. If her own income exceeds $660 in the year, she should pay income tax on it. Thus suppose her total income is $1,200 of which $300 is derived from presents you gave her and $900 from her own resources, you should add the $300 to your income for tax purposes and she will be taxed on the income of $900. But if her own income is less than $660 she will not be liable for tax but you should add the balance to your income for tax purposes.

Life Insurance

My son died recently, leaving me an insurance policy for $5,000. I expect a smaller income in 1943 than I have had in 1942. Would there be any advantage as regards income tax if I held the cheque for the policy till after Jan. 1, 1943, when it would appear in my 1943 income?

There is no income tax on life insurance principal. Accordingly it is immaterial as regards income tax when you cash the cheque.

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Taxes Hit Hard At Inter. Paper

Higher Sales and Operating Income Offset by Jump in Taxes

From Our Own Correspondent

MONTREAL.—Taxes are bearing heavily on International Paper Co. this year. To the end of September sales were well above those of the like period of 1941, as was also the case with net revenues. Actually operating profits were $1.7 millions greater than a year ago.

Interest charges during the first nine months of this year were lower than in the same period of 1941. However, this was offset by larger reserve for depreciation, while provision for taxes increased from $15.9 millions to $22.1 millions. Had taxes been equalized over the two periods, net profits of the company this year would have been greater.

Nine Months Ended Sept. 30

	1942 $	1941 $
Sales, etc.	163,240,687	153,926,179
Less: Cost & exps.	122,823,475	115,197,546
Net revenue	40,417,212	38,728,633
Less Depreciation	9,967,678	8,139,688
Depletion	611,114	704,184
Prov. income tax	22,102,445	15,909,372
Divds. accr. on sub. stocks	5,201	43,282
Int. on debt	2,069,825	2,177,595
Debt disct.	198,891	241,991
Net profit	5,462,257	11,512,519
Add: Post-war ex. tax credit	1,781,814	......
Net profit	7,244,071	11,512,519

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LONDON CALLING

WRITTEN EACH WEEK EXCLUSIVELY FOR THE FINANCIAL POST BY Adelphi

LONDON.—Things are tingling over here. Even days of low cloud and almost incessant rain cannot slow the pulse beat of the people. Rightly or wrongly the feeling is growing that Germany is nearly on the ropes and that the whole Axis combination is in a process of growing deterioration. All the news from Italy is to the effect that defeatism and despair are everywhere. The people that were to build a new and greater Roman Empire are now German mercenaries in everything except that their masters forget to pay them the wages of servitude.

The R.A.F. is at the top of its form and in every bomber mess the mighty Lancaster is toasted and acclaimed. A week ago in the north I lunched with the driving genius behind this super-bomber that has broken all records not only in its accomplishment but in its ability to get back. R. H. Dobson is one of those men who prove once more that ability and character can achieve success under any social system.

Watch him as he enters his car to be rushed to one of the many factories he controls. Watch the calm, clear cut way he talks to this worker and that — for he knows every job and seems to know every man's name. Watch him in his office adjudicating on this or that and dealing with three telephones.

Note the twinkle in his eye or the sudden contraction of his shoulders as he snaps into the telephone: "Don't wait for confirmation from London. Go ahead!" And if you like, watch him at the . . . . . Hotel in . . . ., a good judge of wine and an amusing, easy conversationalist.

Then remember that he worked at the bench as a boy of 14, under-educated, with no social background, no experience of life and only the prospect of a hard life as a factory hand in an area suffering cruelly from depression. Note well the name of R. H. Dobson. We owe him much and his career isn't ended yet.

• • •

Right Job for Harris

From the man who makes the Lancasters to the man who orders them into action. Somebody with a genius for finding the wrong job for a man sent Air Marshal Sir Arthur Harris to Washington a year or so ago. The diplomats there shook their heads. He was so blunt. He used few words but they were extremely expressive. He did not distinguish between the various grades of diplomatic rank or conform to any of the set rules. No. Harris was not a diplomatic success.

Suddenly, out of the blue, Harris was appointed Bomber Commander-in-Chief of the R.A.F. Someone with a genius for finding the right job for a man had been at work. Today Harris ranks next to Alexander and Eisenhower as the most hated enemy in Italy and Germany. His vitality is inexhaustible, his mastery of detail astonishing. I hope that some day his memos inside the Air Ministry will be published. They fairly sizzle and crackle while the very words seem to take on the character of explosives. Not since "Jackie" Fisher's famous signatures at the Admiralty in the last war ("yours to a cinder," "yours till hell freezes over") has anything equalled the Harris style.

In short, he is an enormous success.

* * *

The world's most constant commuter has turned up in London again. Averill Harriman is here. I wonder what he thinks of Wendell Willkie's speech in which he said that America had sent no one of consequence to Russia.

* * *

Mrs. R. Makes a Hit

Mrs. Roosevelt has made a fine impression on these Islands. Her humanity, her fairness, and her courage have really made a deep impression. What is more she has sagacity, for her conference with the British Press was a model of apparent candor and effective reticence.

It is difficult to believe that this was the young woman who, her beautiful mother thought, would never get a husband. She was so shy and awkward that to make conversation she would run through the alphabet seeing if any letter suggested a word that might lead to something.

Her hour of greatness came when she wrestled for the soul of her handsome, athletic husband stricken by a disease that sentenced him to be an invalid for life. History always acclaims the man. Perhaps this time it will include the woman.

• • •

Lady MacRoberts

The Stafford Cripps-Lord Louis Mountbatten fight for the Lord Rectorship of Aberdeen University is off. The sailor has withdrawn rather than raise any issue at this time which might involve the relations of those who direct the politics of the war and those who actually fight it.

But an even more sensational opponent has appeared. Lady MacRobert has thrown her glove into the ring and will contest with Cripps.

There is something almost terrifying about the spirit of this remarkable woman of Scotland. It takes one back to the days of the Amazons or of Boadicea and Elizabeth. Her husband, a Baronet, died leaving four young sons. The eldest succeeded to the title and went to his death in the R.A.F. The second boy succeeded his brother and went to his death too. The third brother became the Baronet and, joining the Air Force was also killed. The youngest boy, still at school, took the title!

Outside of the stark tragedy of it all it is an amazing story. Each of her four sons has borne the rank of "Sir." You will remember Lady MacRobert's answer to these anvil blows of fate. She sent the government a cheque for £20,000 to purchase a bomber in memory of her dead sons. Her monument to them was to be a machine that would carry death and destruction to her country's enemies. Many nice minded women wrote to her in protest. Her reply was to christen the bomber with the name of MacRoberts.

Euripides himself could hardly have conceived a woman of such indomitable and fiery purpose. It will not be easy for Aberdeen to vote against her. I am sorry for Cripps. In many ways it has become an unfortunate affair and I would not be surprised if attempts were made to reach a compromise.

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Building Drops In October

Construction contracts awarded in Canada during October totalled $21.4 millions, down 27.8% from September and 26.3% from Oct., 1941, according to MacLean Building Reports.

Public and business buildings made up $8.4 millions of the total, residential $7.1 millions, industrial $4 millions, and engineering $1.8 millions.

Grand total of $249.9 millions for the first 10 months of 1942 is 29% less than for the same period of last year. Percentage reduction by groups is as follows: engineering, 74.1%, residential, 16.9%, industrial, 11%, and business and public, 4.1%.

With new regulations in effect in respect to licensing construction of other than very minor work throughout Canada a continuing reduction in contracts is expected.

Following is a summary of some of the larger awards made in October:

Hamilton, Ont. Gas Plant (add)	$1,100,000
Brockville, Ont. Addl. Accom.	750,000
Fort William, Ont. Paving	500,000
Ottawa, Ont. Temp. Office Bldg.	500,000
Welland, Ont. Housing	500,000
Montreal, Que. Foundry Extn.	446,000
Sydney, N.S. Temp. Accom.	400,000
Ottawa, Ont. Hostel	375,000
London, Ont. Plant Addn.	375,000
Beauharnois, Que. Housing	300,000
Barriefield, Ont. Buildings	300,000
Mohawk, Ont. Temp. Accom.	300,000
Halifax, N.S. Warehouse	300,000
British Columbia, Accom.	300,000
Ottawa, Ont. Office Bldgs.	275,000
Shawinigan Falls, Que. Plt. Addn.	250,000
Ste. Therese, Que. Housing	250,000
Belleville, Ont. Warehouses	250,000
Sault Ste Marie, Ont. Housing	225,000
Ste. Anne De Bellevue, Addl. Oc.	205,000
St. Hyacinthe, Que. Tech. School	200,000

B. C. Power Corp. Covers Dividend

From Our Own Correspondent

MONTREAL. — British Columbia Power Corp.'s interim statement of earnings for September reveals a relatively sharp decline from the same month last year. Net profits available on the A stock were less than dividend requirements for the month, but the results hold no special significance.

For the first nine months of the current year the company earned $1.68 a share on the A stock, a figure well in excess of the dividend. This contrasts with $1.59 for the like period of 1941.

Income Account

Month of September	1942 $	1941 $
Gross income	1,778,687	1,553,713
Less: Expenses	1,466,395	1,201,802
Bond int. & pfd. divds.	185,180	186,665
Balance for A stock	127,112	165,246
Nine Months Ended Sept. 30	$	$
Gross income	15,698,395	13,625,523
Less: Expenses	12,347,584	10,354,048
Bond int. & pfd. divds.	1,669,911	1,681,990
Balance for A stock	1,680,900	1,589,485

Sees Workers Better Off Than in 1916

President of Barclays Bank (Canada) Reviews Conditions Under War

Because of government control of prices and wages, the Canadian worker is better off now than he was in the last war, A. A. Magee, president of Barclays Bank (Canada), told the shareholders at the annual meeting in Montreal this week.

In the last war, he said, the cost of living index increased from a base of 100 in July, 1914, to 116.1 in Oct., 1916. During the same period in the present war, the index showed a similar increase from a base of 100 in Aug., 1939, to 114.6 in Oct., 1941, about one half of this occurring in the last six months of the period.

In 1916 and Now

"The trend in the last 12 months, however, presents a marked contrast to the outstanding advances in the corresponding period in the first world war," said Mr. Magee. "Owing to the stringent price control aimed especially at stabilization of retail prices, the increase since Oct., 1941, has been insignificant. The advance in the corresponding period in the last war was about 24%."

The war had revolutionized the industrial life of the Dominion, Mr. Magee declared. Canada entered the fourth year of war with the output of munitions still increasing steadily under the impetus of industrial expansion. The last war called on Canada to build an industrial machine that subsequently gave this country a leading place in world commerce. The enlarged scope of industrial operations in the present struggle would have an even greater influence.

Speaks of Economies

Mr. Magee noted that Canadian production is now tied closely with that of the United Nations and constant consultation enables standardization to be carried far. He added:

"The encouraging economies and the improvements in industrial techniques which have been effected by management with the cooperation of labor, together with the consequent reduction in man hours and total costs, have been a contributing factor in increasing the effectiveness of Canada's war effort. For example, many pieces of war equipment are being sold by Canadian industry to the Canadian Government at prices considerably below known prices of corresponding equipment in either the United States or England. It has been estimated that through the ingenuity of Canadian manufacturers, the Government is saving, annually, an amount in excess of $150 million."

Production for civilian needs, he went on, would have to be curtailed to maintain the war output. The building industry, long stimulated by war requirements, was likely to be affected with particular severity because of difficulty in obtaining labor and materials.

Comparison of the bank's figures at Sept. 30, when the fiscal year closed were as follows:

	1942 $	1941 $
Total assets	26,217,992	26,272,509
Current loans	3,179,154	4,617,725
Call loans	163,100	174,625
Investments	13,466,388	12,010,303
Savings depos. in Can.	6,483,321	5,907,103
Deposits elsewhere	3,271,978	3,181,197
Demand deposits	5,323,866	4,788,877
Note circulation	717,205	580,050
Capital paid-up	1,500,000	1,500,000
Reserve	750,000	750,000

Steel Co. of Canada Makes Tin Substitute

From Our Own Correspondent

MONTREAL.—Steel Co. of Canada is now manufacturing bonderized plate as a substitute for tin.

According to the company's announcement, the only other plant in Canada producing the new type of plate, which was developed in the United States to meet the present shortage of tin, is Dominion Foundries & Steel Ltd. of Hamilton.

Industrial Acceptance Corp. has declared a dividend of 25 cents a share on the A stock. This is the first payment since last March. The last previous payment was 25 cents quarterly on Dec. 31, 1941, which brought the total of $1 a share, against $1.75 in 1940 and $2 in 1939.

PLAN AHEAD

The government of Canada has announced plans to finance much of the war expenditure out of current revenue. War taxes of various sorts are being imposed. To meet them the first step is to save systematically. Open an account with this Corporation and be ready when the government calls.

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Canada Cement

I am interested in the common stock of Canada Cement Co. and would like to have your views on this security as a long-term investment.

Canada Cement common stock must be classed as an interesting speculation. The company is by far the largest in its field and its record of operations and management over a period of several years has been excellent. Earnings available on the common stock have been small because of the rather heavy bonded debt.

However, considerable progress has been made by the management in reducing the debt and the position of the company, financially, is stronger now than it has been for many years past. While there is no immediate prospect of a dividend on the common, the position of the junior equity appears to be steadily improving.

Premier Trust

How do you account for the present low price for shares of Premier Trust Co.?

The current low price for shares of Premier Trust Company appears to be due to a number of factors. First, there is the effect of high taxes. In 1941 this was the factor that caused Premier Trust earnings to decline to 3.68% from the 5.13% reported in 1940. When new higher taxes were announced this year there was a general reaction on the price of shares of the trust and loan companies along with the chartered banks, it being felt that these companies had no further avenues of business to explore to compensate themselves for the additional loss.

There has been little new so far this year in the general trust and loan company situation. The high rate of employment in Canada has meant a continuing reduction in mortgage debts. While this has improved the liquid position of the trust and loan companies it has faced them with the very large problem of what to do with their excess funds. Under present conditions the field for profitable mortgage investment is rather restricted and other types of investment suitable for these companies usually offer very low yields. This condition has tended to restrict earning power.

International Power

Will you please let me have your comments on the debentures issued by International Power Co.?

Improvement in the position of International Power Co. is reflected in the steps taken by the management to pay off arrears of dividends on the 7% first preferred stock. Continued increase in demand for electric services was experienced by the subsidiaries in 1941 and gross income showed a satisfactory increase. The debenture interest was earned 3.54 times, including exchange. This was the best showing made by the company in many years.

On a consolidated basis working capital at the end of 1941 totalled $472,715, an improvement of nearly $300,000 during the year. Generally speaking, there has been a steady betterment in position in the last three years and the outlook is considered encouraging.

Trans-Canada Shares

Some background information on Trans-Canada Shares would be appreciated.

Trans-Canada Shares is a fixed type of investment trust. Purchases are made of stocks of 15 leading Canadian corporations, and for each group of shares so purchased, 1,000 Trans-Canada Shares are issued. Dividends paid by the companies whose securities are held accumulate and are distributed each six months to the holders of the trust shares.

Last payment announced is that made June 1, 1942, amounting to 30 cents a share. In 1941, the trust paid 53 cents a share, and in 1940, 55 cents. Returns to holders of these shares would fluctuate with the distribution by the companies whose securities are held. Marketability for the shares is maintained by a Trans-Canada Investment Corp. in Vancouver. Holders of 200 shares or multiples thereof may obtain their proportion of the underlying stock on presentation of their certificate.

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Borrowings of Toronto Stock Exchange members as at the end of Oct., 1942, totalled $6.2 millions, a decrease of $553,591 from September and down $2.9 millions from Oct., 1941. At the same time, quoted market value of all listed stocks as at Oct. 31, 1942, totalled $3,320 millions, an increase of $16.3 millions over Sept. 30. Ratio of borrowings to quoted market values amounted to .19 of 1% as compared with .20 of 1% at the end of September and .25 of 1% a year ago.

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THE WEEK'S QUOTATIONS

Montreal and Toronto
Week ending Monday close

Winnipeg and Vancouver
Week ending Saturday close

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

STOCKS TRADED THIS WEEK

WEEK ENDING NOVEMBER 16

Range 1942 High	Range 1942 Low	Div R'te $	Nov14 Y'ld %		Sales	Last Nov. 9	Week end. Nov. 16 H	L	Cl'se
				A					
.75	.40	.	...	Abitibi	450	.50	.60	.50	.50
7	3½	.	...	Do. pref. 6%	825	4	4½	4½	4½
13	11	.80+.20	9	Agnew Surp.	10	11½	11	11	11
.90	.55	.	...	Alta. Pac. Gr.	125	.55	.85	.75	.85
33	21½	.	...	Do. pref.	495	29	33	29½	32
9½	7½	.	...	Algoma Steel	275	7½	7½	7½	7½
84	79½	5	6.2	Do. pref.	30	80	80	80	80
109	80	8+2	11	Aluminum	645	97	97½	90½	92
20	16	1.40	...	Asbestos	305	19½	19½	19	19
18½	13½	1.75	11.7	Assoc. Brew	25	15	15	15	15
				B					
150	115	6	4.8	Bk. Can. Nat.	51	125	125	123½	123½
189	124½	6	4.3	Bk. Montreal	155	140	140	140	140
275	212	10	4.4	Bk. N. Scotia	63	217½	225	220	225
255	200	10	5	Bk. Toronto	72	201	202	200	200
21	12	.	...	Barker's Br'd, p	14	19½	21	21	21
14½	10½	1+.50	11.5	Bathurst Pr.	350	12½	13	12½	13
11½	6½	.25	...	Beatty Bros.	160	10½	11	10½	10½
110½	102	6	5.4	Do. pref.	701	110	110	110	110
110½	76	7	6.4	Do. 2nd pref.	10	110½	110½	110½	110½
9½	9½	.	...	Beauharnois	16	9½	9½	9½	9½
150½	123	8	5.9	Bell Telephone	254	134	135½	134	135
7½	6	.30+.10	6	Bertram & Sons	20	7½	6½	6½	6½
12	6	1	...	Brazilian Tr.	4476	11½	11½	11½	11½
5½	3½	.50+.10	..	Brew. & Distil.	3	5	4½	4½	4½
18	13	1	6.2	Brit. Amer. Oil	1880	16½	16¾	16	16
16	12	1.50	...	B. C. Packers	125	15	15	14	14
22	17	2	10	B. C. Power A.	75	20	20	19½	20
6	4½	.40	...	Bruck S. Mills	105	4½	4½	4½	4½
14	11	.70+.10	7	Building Prod.	1105	11	12	11½	11½
8½	7½	.60	7.5	Burlington St'l.	150	8	8	8	8
				C					
23½	22½	1.50	6.7	Caldwell L 1 pf	15	22½	22½	22½	22½
5	3½	.	...	Canada Cement	1607	4½	4½	4½	4½
102	90	6.50	6.9	Do. pref.	61	94½	95	93½	94
20½	13	1.15	...	C. & D. Sugar.	1185	14	14½	14	14½
19	15	1.50	8.8	Can. Forg. (A).	115	16½	17½	17	17½
38	32	2+.50	7.6	Can. Malting	170	33	33	33	33
5½	4	.60	13.3	Can. Nor. Pr.	260	4	4½	4½	4½
88	74½	7	9.4	Do. pref.	5	80½	74½	74½	74½
87	74½	4	5.1	Can. Packers	5	77	78	78	78
128	110½	8	6.7	Can. Perman.	11	116	120	119	120
8	5	.	...	Can. Steamsh's	1532	7½	7½	6½	6½
30	25½	2.50	8.6	Do. pref.	137	28½	30	28	29
7½	4½	.40+.10	8	Can. Vinegars.	225	5	6	5½	6
24½	14	2	10.8	Can. W. Cable B	30	18	18½	18½	18½
65	48½	8.75	...	Can. Bakeries.	10	63	65	65	65
154	115	6	4.9	Can. Bk. Com.	51	121	122	121	121
1.45	1.00		...	Can. Breweries	405	1.10	1.20	1.05	1.15
31	25½	3.40	12.5	Do. pref.	225	27	27	26½	26½
6	4½	.50	10	Can. Canners	116	5½	5½	5	5
22	16	1+.20ª	6	Do. 1st pfd.	324	18½	19½	18½	19½
9½	8	.60+.20ª	9	Do. 2nd pfd.	615	8¾	9	8¾	9
7½	4½	.	...	Can. Car & F'y	2170	7½	7¾	7	7
27½	21½	1.75	6.4	Do. pref.	700	27	27½	26½	27½
27½	21½	1+1	7.4	Can. Celanese.	470	26	27	26	27
130	118½	7+1.15ª	6	Do. pref.	25	129	129½	127	129½
117	113	6	5.2	Can. Cottons, p	70	115	116	116	116
14½	9	.	...	Can. Dredge	130	14	14	13½	14
25	13	2	8.7	Can. For. Inv.	25	22½	23	23	23
215	208	8	3.8	Can. Gen. Elec.	2	215	208	208	208
7½	6½	.50	6.8	Can. G. Inv.	160	7½	7½	7½	7½
4	3	.35	...	Can. Ind. Alc.	1530	3¾	4	3½	3½
3½	2½	.35	...	Do. (B)	375	3½	3½	3½	3½
13½	12	1	8.3	Can. Lt. & Pr.	2	12½	12	12	12
9½	6½	.	...	Can. Locomo.	5	6½	7	7	7
.90	.45	.04	...	Can. Marconi	200	.90	.90	.90	.90
15	10	.50+.70	9	Can. Oil	50	14½	13	13	13
8¾	5	.	...	Can. Pacific	11291	7¾	8½	7½	8½
6	5	.	...	C Tube & St 2 p	100	6	6	6	6
3½	2	.	...	Can. Vickers	10	3	3	3	3
42½	34½	2	5.7	Can. West'ho'se	50	35	35½	34½	34½
20	17½	1.50+.50ª		C. Wire Box	15	18½	17½	17½	17½
8	4	.50	...	Cockshutt Plow	590	7½	8	7½	7½
2.50	1.90	.15	...	Comm. Alcohol	1200	2.50	2.50	2.25	2.50
6½	5½	.40	6.2	Do. pref.	100	6	6½	6½	6½
.02	.01	.	...	Cons. Div. Sec.	56	.02	.02	.02	.02
2.37	1.50	.	...	Cons. Paper	7810	2.00	2.50	2.00	2.37
39	32	1+1.50	6.8	Cons. Smelt.	975	36½	36¾	36	36¾
26½	10	.	...	Cres. Cream, p.	4	25½	26½	26½	26½
				D, E					
26½	21	2.22	8.5	Distill-Seagram	545	25¾	26½	25½	26
97½	90	5	5.2	Do. pref.	35	96	97	97	97
191	135	8	5.7	Dom. Bank	4	140	140½	140	140
24	20	1.20	5.7	Dom. Bridge	335	21½	21½	20½	20½
15¾	9½	.	...	Dom. Coal, pf.	501	10	10½	10	10½
97½	90	7	7.8	Dom Envel'e p.	10	90	90	90	90
20	16½	1+.25	..	Dom. Foundries	300	19½	20	19½	19½
25	20	1.20+.40	8	Dom. Oilcloth.	235	20	20½	20½	20½
9½	5½	.	...	Dom. St. & C.B.	3256	7¾	8½	7½	7½
6½	3½	.20	...	Dom. Stores	55	5½	6	5½	6
5	3	.	...	Dom. Tar & Ch.	1100	5	5	4½	4½
90	83	5.50	6.2	Do. pref.	100	90	89	89	89
82½	66	5	7.3	Dom. Textile	98	68	68½	68	68½
1.40	.70	.	...	Dom. Woollens.	169	1.35	1.40	1.25	1.40
8	6½	.60	7.7	Do. pref.	160	7¾	8	7½	7¾
4	2	.	...	Donnacona P.	1075	2¾	3½	2¾	3
6	3½	.	...	Dryden Paper.	150	4½	4¾	4½	4½
8	6	.	...	East Koot Pr. p	5	6	7½	7½	7½
12¾	6½	.	...	East Dairies p.	175	11	12¾	11	12½
3	2½	.	...	Enam. & Heat.	25	2½	2¾	2¾	2¾
29¾	19	2.50	11.9	English Electric	5	20½	21	21	21
3½	1¾	.	...	Do. (B)	93	3½	3½	2½	2½

Range 1942 High	Range 1942 Low	Div R'te $	Nov14 Y'ld %		Sales	Last Nov. 9	Week end. Nov. 16 H	L	Cl'se
				F, G					
3½	1½	.25	...	Fairchild Air	50	2½	2½	2½	2½
22½	15	1.50+.25	9	Fanny Farmer.	490	18½	19½	19	19½
3½	2½		...	Fleet Aircraft	285	3½	3½	3	3
20½	14½	1	5.2	Ford Motor A.	2543	19½	20	19½	19½
20½	14½	1	4.9	Do. (B)	10	19½	20½	20½	20½
16½	12	‡1.20+.50		Foundation Co.	55	13½	14	14	14
13	7	.	...	Fraser Cos.	90	8½	9½	9½	9½
13½	7½	.	...	Do. Vot. Tr.	245	8½	10	9½	9½
77½	61½	5	6.7	Gatineau Pwr p	195	72	75	75	75
80	70	5.50	7.2	Do. 5½% pref.	10	76½	76½	76½	76½
6½	5	.50	...	Gen. St. Wares.	1230	6½	6½	6½	6½
92	82	7+.53ª	9	Do. pref.	10	82	85½	85½	85½
60	31½	2.50+2.50		Goodyear Tire.	86	54	55	55	55
51	39	2.50	4.9	Do. pref.	47	51	51	50½	51
2.50	1.00	.	...	Gt L. Pa V tr c	704	1.40	2.00	1.75	1.90
16½	11	1.50	...	Do. Vot. Tr. p.	125	11½	13	13	13
28	24	3	...	Gt. W. Sad'y P	30	25	25	25	25
4	2	.	...	Gurd, Chas.	25	3	4	4	4
4	2½	.	...	Gypsum, Lime.	1725	3½	4	3½	3½
				H, I					
4	2	.	...	Ham. Bridge	790	3½	4	3½	3½
14	9½	‡.75	...	Hinde & Dauch	455	12½	13	13	13
19	16	2	10.5	Honey Dew	15	18	19	19	19
14	8	.	...	H. Smith Pap.	719	9½	10	9½	10
100	93½	6	6.4	Do. pref.	70	93½	95	94	95
55	46	4	8	Huron & E. Mt.	90	49	50	50	50
1.00	.50	.	...	Hydro Electric.	100	1.00	1.00	1.00	1.00
204	145	8	5.3	Imperial Bank	25	154	150½	150	150
10½	7½	.50	4.9	Imperial Oil	6539	9½	10½	9½	10½
12½	9½	.40+.17½	5½	Imperial Tob.	1675	9½	10	9½	10
28½	26½	1.50	5.7	Imp. Varnish p	50	26¾	26½	26½	26½
11	6½	.25	...	Indust. Accept.	50	8½	11	11	11
23	20	1.50	7.1	Inter. Bronze, p	70	21½	21	21	21
9½	5	.	...	Int. Metal Ind.	480	7½	9½	8½	9½
99	85	6+5ª	6.9	Do. pref.	10	87½	87½	87½	87½
36½	29	2	6	Int. Nickel	2267	34	34	33	33½
1.50	1.05		...	Int. Paints, c	20	1.50	1.50	1.50	1.50
16	11	1	6.2	Int. Pete.	4560	15½	16	15½	16
5	2	.	...	Int. Power	50	4½	5	5	5
90	85	7	7.8	Do. pref.	85	89	89	89	89
.15	.03	.	...	Int. Util. (B)	100	.15	.15	.15	.15
				J, K, L					
10	5	.	...	L. St. John Pr.	100	6½	7½	7½	7½
17½	14½	1.20	7.3	Lake of Woods	365	16½	16½	16½	16½
12½	8	.70+.30	8	Lang, J. A.	25	12½	12½	12½	12½
10¾	8½	.80	8.9	Laura Secord	345	8½	9	8½	9
7	5	.	...	Lindsay, C. W.	10	7	7	7	7
25½	19	1+.25	6.5	Loblaw (A)	670	19	19½	19	19
23½	17½	1+.25	6.8	Do. (B)	375	18	18	17½	18
				M					
16	11½	1.00	...	Maclaren Pr.	25	12½	13½	13½	13½
7	5	.	...	M. L. Gardens.	10	5	5	5	5
6	4½	.40	8	Do. pref.	5	5	5	5	5
6	3	.	...	Maple Leaf M p	400	6	6	5½	6
4½	2½	.	...	Massey-Harris	2700	4½	4½	4	4½
13½	10½	1.25	...	Do. pref.	1780	13½	13½	13½	13½
5½	2½	.	...	McColl Fron.	75	4½	5½	4½	5½
95	72½	6	6.9	Do. pref.	20	86	86	86	86
6½	5	.60	10.9	Melchers, pref.	15	6	5½	5½	5½
3½	2	.	...	Mercury Mills	100	2½	3	2½	3
44	39	2.50	6.4	Mitchell, J. S.	5	44	39	39	39
18	10½	2	...	Mitchell, Robt.	710	12½	13½	12½	13½
35	33	12%	...	Monarch Life.	25	33½	33	33	33
24	19½	1.50	6.9	Mont. L. & Pr.	2359	21½	21½	21½	21½
50½	48½	.	...	Do. Notes	5	48½	48½	48½	48½
14	13	1.25	...	Montreal Loan.	12	13	13	13	13
.80	.70	.	...	Mtl. Refrig & S	30	.80	.80	.80	.80
16½	11½	1.25	...	Do. pref.	10	16	16½	16½	16½
45	39	2.22+.66ª	7	Moore Corp.	665	40	41	40	41
178	156	7	4.2	Do. pref. (A)	6	165	165	165	165
				N, O					
26	21½	2	8.2	Nat. Breweries.	585	24	24½	24	24½
7	4	.40	...	Nat. Grocers	50	5½	5½	5½	5½
34½	27	2	6.7	Nat. Steel Car.	45	31	31	31	30
138	120	8	6.5	National Tr.	10	125	123	123	123
18	10	1.75	...	Niag. W. Weav.	30	11	12	11	12
7	6	.	...	North. Trusts.	100	7	7	7	7
22	17½	1	4.9	Ogilvie Flour, c	575	19½	20½	19½	20½
110	103¾	5	4.8	Ontario Loan	26	105	105	105	105
6	4	.60	10.7	Ott. L. H. & P c	30	5	5½	5	5½
				P, Q, R					
4½	2½	.30	...	Power Corp. c.	95	4	4½	4½	4½
11	6		...	Price Bros, c.	730	7½	7½	7½	7½
6	4½	40c	7.3	Prov. Transport	25	5½	5½	5½	5½
13½	11	1	7.7	Quebec Power.	265	13	13½	13	13
4	4	.	...	Que. Telephone	3	4	4	4	4
5½	3	.75	...	Regent Knit	50	4½	5½	5½	5½
155	115	6	4.9	Royal Bank	150	122	122	122	122
				S					
106	103	5.50	5.3	Saguenay Pr. p	10	104	104	104	104
15½	12	90c	6.1	Shawinigan Pr.	1083	15½	15½	14½	15½
13½	7	.60	6.7	Sher. Wms. c	20	8½	9	9	9
8½	6	.40	5	Silverwoods	8	8	8	8	8
8	5½	.40	5.2	Do. pref.	105	7½	7½	7½	7½
10	7	.60+.15	9	Simon & Sons c	40	8½	8½	8½	8½
2½	1	.	...	Simpson, A (B)	5	2¾	2¾	2¾	2¾
89	65	6.50	8.7	Do. pref.	55	75½	75½	75	75
103½	99½	6	5.9	So. Can. Pr. pf.	39	102	101	101½	101½
2.00	.95	.	...	St. Law. Corp.	1770	1.30	1.40	1.30	1.35
15½	8½	1	10.2	Do. pref. (A).	315	9½	9½	9½	9½
43	24½	3	11.5	St. Law. Pap. p	1	27½	26	26	26
4	3	.40	12.3	Stand. Radio	10	3½	3½	3½	3½
63½	57	3	4.9	Steel of Canada	75	61½	62½	61	61½
70½	66½	3	4.5	Do. pref.	70	67½	66½	66½	66½
				T, U, V					
11½	8½	.80	8	Tamblyn, c.	50	10	10	10	10
15	10		...	Thrift Stores pf	25	14	15	15	15
8½	4	.32½	...	Tip Top Tailors	5	4½	4½	4½	4½
76	63	4	5.9	Tor. Gen. Tr.	5	70	68	68	68
84½	50	5	7.7	Tor. Mtge.	16	70	66½	65	66½
152	147	7	4.6	Tuckett Tob. p.	50	151	151	151	151
10½	4½		...	Union Gas	1468	6	6½	6	6½
36	29	3	9	United Fuel, pf.	95	31	33½	31½	31½
3½	2½		...	Do. (B) pref.	120	3½	3½	3½	3½
12½	10	1	8.3	Un. Grain Gr. A	4	11½	12	12	12
4½	2½		...	United Steel	275	4	4	3½	3½
				W, Y, Z					
44	35	4	10.2	Wabasso Cot.	50	38	39	39	39
50½	40	4	8.2	Walker-Good.	882	48	48½	47½	48½
21	18	1	5.2	Do. pref.	1100	19	19½	19	19
1.80	1.00		...	West C. Flour.	450	1.25	1.80	1.45	1.65
2½	1½		...	West Breweries	40	2½	2½	2½	2½
10	8	.50	...	Western Steel.	25	8½	8	8	8
11½	9½	.80	7.6	Weston George c	270	10½	10½	10½	10½
3.50	.65		...	Winnipeg El. A	45	2.75	2.50	2.50	2.50
3.25	.60		...	Do. (B)	125	2.50	2.50	2.25	2.25
22	5½		...	Do. pref.	10	18½	18	18	18
12	10½	.80	7.3	Zellers, c.	55	10½	11	11	11

ª On account of arrears. ‡ Paid in 1942 to date.
■ Participating.

Mining Stocks

Week Ending November 16

Range 1942 High	Range 1942 Low	Div. Rate $	Nov. 14 Yield %	Company	Sales	Last Nov. 9	Week Ending Nov. 16 High	Low	Close
				A, B					
.16½	.05	.....	....	Aldermac	7,800	.08½	.08	.08	.08
1.47	.75	.16	13.3	Aunor Gold	10,500	1.20	1.28	1.12	1.12
.05½	.02½	.....	....	Bankfield	3,000	.02½	.02½	.02½	.02½
.09½	.05	.....	....	Base Metals	1,000	.07	.07	.07	.07
.06½	.02½	.....	....	Bear Expl.	24,580	.04½	.05½	.03½	.04½
.94	.46½	.13	....	Beattie Gold	900	.63	.66	.62	.62
.10	.04½	.....	....	Bidgood K.	5,200	.07	.07½	.07	.07
.12½	.06	.....	....	Bobjo	4,000	.07	.08	.07	.08
.32½	.05	.....	....	Bonetal G.	11,600	.10	.08	.06	.07
.02	.01½	.....	....	Bouscadillac	500	.01½	.01½	.01½	.01½
9.30	4.40	1.20	*17.7	Bralorne	3,205	7.25	7.50	6.75	6.85
.61	.21½	.06	....	Broulan P.	26,600	.36	.38	.34	.34½
2.80	.90	.....	....	Buffalo Ank.	1,750	1.35	1.50	1.30	1.40
.03	.01	.....	....	Buffalo Can.	5,500	.02½	.02½	.02½	.02½
12.50	5.00	3.00	....	Bulolo Gold	200	9.00	9.75	9.50	9.75
				C, D, E, F					
.49	.20	.08	22.8	Can. Mal.	6,900	.40	.40	.35	.35
1.72	.56	.15	....	Cariboo Gold	2,800	.50	.85	.75	.75
.05	.02	.....	....	Cen. Cadillac	1,500	.03	.03	.03	.03
1.30	.45	.15	....	Cen. Pat.	4,200	.75	.80	.72	.72
.10½	.04	.....	....	Cen. Porc.	500	.04½	.05	.05	.05
1.50	.36	*.15	....	Chesterville	16,955	.52	.55	.48	.53
2.95	1.20	.....	....	Chromium	215	2.50	2.75	2.50	2.60
1.10	.50	.....	....	Coast Copper	100	.50	.75	.75	.75
.74	.44	.09	....	Coch. Will.	13,800	.58	.62	.56	.59
.94	.36	.13	....	Coniaurum.	2,900	.60	.70½	.65	.65
.65	.26½	.06	....	Delnite	1,100	.37	.38	.37	.38
17.50	10.37	1.60	9.7	Dome Mines	1,886	16.00	16.50	15.75	16.00
.10	.02½	.....	....	Duquesne	500	.03	.03½	.03½	.03½
2.24	.73	*.05	....	East Mal.	22,900	1.08	1.15	1.01	1.05
.70	.32	.....	....	Eldorado	3,800	.66	.65	.59	.60
3.60	2.20	†.15	....	Falconbridge	720	2.80	3.10	2.90	3.00
.02½	.01	.....	....	Federal	1,500	.01	.02	.02	.02
.20	.05	.....	....	Forty-Four	20,758	.08	.10	.10	.10
.42½	.12	.....	....	Francoeur G.	1,200	.18	.20	.19	.19
				G, H, I, J					
.20	.08	.....	....	God's Lake.	5,516	.13	.12½	.11	.12½
.18	.12	.04	....	Gold Belt	500	.13½	.13½	.13½	.13½
.10½	.02½	.09	....	Gold Eagle.	13,700	.02½	.03	.02½	.03
.04½	.01	.....	....	Gold. Gate	10,000	.02	.02	.02	.02
.14	.07	.....	....	Gunnar Gold	13,000	.10	.10	.09½	.09½
.55	.25	.06	....	Hard Rock.	5,100	.37	.42	.38	.40
.02½	.01	.....	....	Harker	500	.02	.02½	.02½	.02½
.35	.17	.08	....	Hedley Mas.	14,500	.30	.35	.30	.35
10.50	5.70	.65	8.3	Hollinger	4,507	7.05	7.86	7.00	7.40
.20	.11	.02	....	Howey Gold	5,900	.12	.14	.13½	.14
28.12	21.75	2.00	7.5	Hudson Bay	1,765	27.00	27.12	26.37	26.50
1.06	.65	.08	....	Island M.	1,300	.65	.65	.64	.64
.30	.08	*.04	....	Jason Mines	3,200	.16	.16	.15	.16
.02½	.00½	.....	....	Jellicoe	500	.01	.02	.02	.02
				K, L, M					
4.40	2.85	†.25	....	K. Addison	36,165	3.80	3.95	3.70	3.75
.62	.29	.06	....	Kirk. Lake	14,630	.54	.52	.47	.47
.59	.31	.02	....	L. Dufault	2,400	.31½	.34	.33	.33
12.00	6.35	.80	9.7	Lake Shore	1,042	8.60	8.75	8.25	8.40
4.15	2.79	†.30+.25	.	Lamaque G.	8,052	3.50	3.30	3.05	3.15
.09	.03	.....	....	Lapa Cad.	14,800	.04	.06½	.05	.06
.60	.38	.08	13.8	Leitch Gold	12,000	.59	.60	.55	.56
1.35	.54	†.10	....	Little L. Lac	4,900	.75	.77	.73	.74½
2.85	1.37	.30	....	Macassa	11,755	1.90	1.95	1.80	1.95
1.68	.82	*.10	....	MacLeod C.	16,991	1.28	1.35	1.16	1.22
.54	.30	.03	....	Mad. R. L.	36,800	.50	.53½	.48	.48½
2.22	.98	*.10	....	Malartic	63,250	1.52	1.60	1.44	1.50
.23	.18	.01	....	McGillv. C.	1,000	.18½	.23	.23	.23
45.50	33.00	3.33	*8.6	McIntyre	125	38.75	39.50	38.75	38.87
1.04	.43	.12	18.4	McK. R.L.	11,850	.60½	.68	.63	.64
.03	.01	.....	....	McLellan G.	4,000	.01	.02½	.01½	.02½
.11	.06½	.....	....	McWatters.	1,800	.09½	.09	.09	.09
1.40	.85	.....	....	Mining Corp.	6,200	1.00	1.10	1.00	1.04
.30	.18	.08	....	Moneta	1,300	.25	.25	.25	.25
				N, O, P, Q					
.23	.06½	.....	....	Naybob	26,000	.09	.10	.06½	.06½
1.04	.80	.10	....	Nipissing	120	.92	.90	.85	.85
52.00	35.75	4.00	10	Noranda	1,991	41.00	40.50	39.50	39.50
.90	.48	.....	....	Normetals	14,184	.73	.80	.70	.79½
.91	.34	.03	....	O'Brien	26,700	.50	.52½	.45	.47
.10	.05	.....	....	Omega	4,800	.05½	.08	.06	.08
.16	.06½	.08	....	Ont. Nickel	87,100	.13½	.14	.13	.13½
.90	.30	.....	....	Pamour	4,910	.55	.55	.50	.50
.02	.01	.....	....	Partanen M.	2,000	.01	.01	.01	.01
.00½	.00½	.....	....	Pawnee Kirk.	500	.00½	.00½	.00½	.00½
.19	.10	.02	....	Paymaster	3,916	.15	.16	.15½	.15½
1.75	.85	.....	....	Pend Oreille	2,710	1.00	1.10	1.00	1.05
1.35	.41	.16	22.8	Perron Gold	2,250	.70	.75	.70	.70
2.35	1.00	.30	20.5	Pickle Crow	11,480	1.60	1.65	1.45	1.45
2.20	.93	†.33	....	Pioneer G.	1,650	1.60	1.25	1.15	1.25
5.50	4.25	.25	....	Placer Devel.	100	5.50	5.50	5.50	5.50
.78	.30	.02	....	Powell R.	800	.42	.43	.41	.41
.02	.00½	.....	....	Prem. Bord.	3,000	.01½	.01½	.01½	.01½
.80	.30	.07½	....	Premier G.	8,146	.45	.50	.45	.50
3.20	.97	.20	13.8	Preston E.	30,130	1.50	1.55	1.40	1.40
.47	.17½	.12+.01	..	Privateer	8,600	.19	.26	.24	.25
				R, S, T					
.23	.02½	.20	....	Reno Gold	9,100	.08	.08½	.08	.08½
.03	.01	.....	....	Roche L.L.	1,000	.01½	.02½	.02½	.02½
2.05	1.15	.20	*12.9	San Antonio	18,060	1.60	1.68	1.50	1.50
.02½	.00½	.....	....	Sand River.	12,000	.01	.01½	.01	.01
.19	.09	.....	....	Senator R.	8,200	.19	.18	.16	.16
.01½	.00½	.....	....	Shawkey	100	.01	.01½	.01½	.01½
.84	.54	.20	....	Sheep Creek	2,700	.72	.72	.69	.72
.98	.55	.10	....	Sherritt G.	13,251	.70	.71	.63	.65
6.00	3.80	.60	13.9	Sigma Mines	1,950	4.50	4.50	4.30	4.30
.50	.23	†.05	....	Siscoe	4,525	.35	.35	.33	.33
.34	.13½	.....	....	Sladen Mal.	5,000	.20	.25	.23	.23
.04	.01½	.....	....	St. Anthony	2,500	.01½	.01½	.01½	.01½
1.96	.87	.....	....	Steep Rock.	17,300	1.40	1.40	1.25	1.36
.13½	.05	.02	....	Sturgeon R.	2,100	.08	.08	.05	.05
1.70	1.05	.02½	....	Sud. Basin.	1,825	1.30	1.38	1.25	1.35
.65	.37	.09	....	Sullivan C.	5,400	.55	.60	.53	.55
1.98	.97	.20	16.6	Sylvanite	5,150	1.24	1.24	1.15	1.20
2.34	1.18	.40	24.7	T. Hughes.	5,537	1.60	1.73	1.55	1.55
1.10	.45	.11+.02	..	Toburn G.	200	.65	.65	.65	.65
.50	.23	.....	....	Trans. Res.	500	.24½	.28	.28	.28
				U, V, W, Y					
.06½	.01	.....	....	Uchi Gold	4,100	.05	.06½	.06	.06½
1.24	.41	.10½	....	Upper Can.	20,100	.67½	.75	.67	.71
5.00	2.90	.25	....	Ventures	3,375	3.70	4.00	3.70	3.85
4.80	3.40	.40	....	Waite Am.	2,600	3.60	3.50	3.45	3.45
.02½	.00½	.....	....	Wellington	7,000	.01½	.01½	.01½	.01½
.18	.08	.03	....	Wendigo	14,825	.17½	.18	.16½	.18
.04½	.01½	.....	....	Whitewater.	9,500	.03	.03	.02½	.03
.04	.01	.....	....	Wood Cad.	1,300	.01½	.02	.01	.01
2.90	1.75	.40	17	Wright-Har.	6,160	2.15	2.35	2.10	2.25
.05½	.02½	.....	....	Ymir Girl	4,000	.05	.05½	.05½	.05½

Oil Stocks

Range 1942 High	Range 1942 Low	Div. Rate $	Nov. 14 Yield %	Company	Sales	Last Nov. 9	Week Ending Nov. 16 High	Low	Close
.07½	.05	.....	....	Alta. Pac. C.	1,000	.07	.08	.06	[illegible]
.56	.32	.04	....	Anglo Can.	900	.41	.41	.40	[illegible]
.29	.09	.....	....	Br. Dom.	41,800	.22½	.23	.22½	[illegible]
.07	.04	.....	....	Brown Oil	2,100	.04	.05	.04½	[illegible]
1.20	.78	.10	....	Calg. & Ed.	2,000	1.00	1.04	1.00	[illegible]
.18	.10	.....	....	Calmont	1,200	.16	.16	.15	[illegible]
.17½	.00	.01	....	Davies Pete	500	.10½	.09	.09	[illegible]
.04	.01½	.....	....	East Crest	1,800	.02½	.02½	.02½	[illegible]
.85	.55	.....	....	Foothills	400	.75	.75	.70	[illegible]
.20	.07	.....	....	High Sarcee	1,000	.10	.09½	.09½	[illegible]
2.70	2.00	.15	....	Home	7,316	2.30	2.30	2.24	[illegible]
.01½	.00½	.....	....	Madison	1,000	.01½	.01	.01	[illegible]
.04	.02½	.....	....	McD. Segur	1,000	.03½	.03½	.03½	[illegible]
.05½	.03½	.....	....	Mercury	1,000	.04½	.04½	.04½	[illegible]
.05	.02½	.....	....	Nordon	500	.04½	.04	.04	[illegible]
.04½	.02	.....	....	Pacalta	4,000	.03	.03	.03	[illegible]
.25	.14	.....	....	Pacific Pet.	1,000	.18	.18	.18	[illegible]
.05½	.02½	.....	....	Royal Can.	300	.03	.03	.03	[illegible]
19.75	16.00	1.00	5.6	Royalite	35	16.00	18.50	18.00	[illegible]
.13	.05½	.....	....	Vermilata	20,000	.06½	.09	.06½	[illegible]
.22	.15	.....	....	Vulcan	500	.15	.17½	.17½	[illegible]

* Yield including bonus. † Paid in 1942 to date. ‡ Paid in 1941.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Nov. 17	9,600	5,700	102,000	....
Nov. 16	5,700	2,900	151,000	9,220
Nov. 14	4,700	2,100	80,000	3,700
Nov. 13	7,000	2,000	156,000	18,600
Nov. 12	9,200	6,100	158,000	4,550
Nov. 11	14,600	6,800	307,000	17,646

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Nov. 18, 1942

%	Due	Bid	Ask	Approx. Yld.
	Dominion of Canada Bonds			
2½	June '43	100½	101¼	...
5	Oct. '43	103	103½	1.15
2	June '44	100½	101½	1.24
2	Sept. '44	99½	100½	1.42
1	Jan. '44	100	100½‡	
2½	Oct. '44	100⅝	105½	1.38
3½	Nov. '44	101½	102½	1.42
3½	Aug. '45	100	‡100½	b1.86
a2½	Oct. '45	102	102½	b1.11
4	Mar. '45	100½	101½	1.50
2	Dec. '46	99½	100	2.00
2	Feb. '46	107½	108½	1.64
4½	Mar. '48	99½	100	2.25
2½	May '46	99½	100	1.75
1½	June '49	102½	103½	b2.22
3½	Oct. '49	102½	103	b1.90
3½	Nov. '51	101½	102	b2.88
3½	Feb. '52	102½	102½	‡2.88
3½	May '52	101½	102	b
a5	Oct. '52	105½	106½	b2.56
4	June '51	100½	101	2.97
a3	Oct. '52	99½	100	3.00
3	Nov. '56	99½	100	3.06
a3	June '55	99½	99½	3.01
3	Nov. '56	106½	107	b2.71
4½	Nov. '54	99½	100	3.07
a3	Nov. '57	107½	107½	b2.83
4½	June '58	99½	99½	3.02
3	Nov. '58	107½	108½	b2.94
4½	Nov. '59	108½	109½	b2.99
4½	Nov. '60	106½	‡107½	b2.98
a4	Oct. '61	101½	102½‡	3.05
a3½	Jan. '61	100½	101½	b3.12
3½	June '66	97½	98½	3.12
a3e	Jan. '67	97½	98½	3.12
a3e	Nov. '68	93½	94½	3.18
†3	Perpet'l.			
	Dominion Guarant'd Bonds			
	Can. Natl. Railways:			
2	Feb. '43	100½	100¾	...
2½	Jan. '46	100½	101½	1.84
3	May '44	102	102½	1.27
3	Dec. '50	99½	100½	2.83
3	Jan. '59	98½	99½	3.04
*4½	Sept. '51	117½	118½	2.16
*4½	Feb. '56	119	120	2.72
4½	July '57	119½	120½	2.83
3	Feb. '53	99½	99½	3.08
4½	June '55	121½	122½	2.66
5	Feb. '54	117½	118½	3.07
*5e	July '69	118	...	...
*5e	Oct. '69	122½	123½	b1.97
*5e	Feb. '70	122½	124	b2.05
	Can. Nat. W. Ind. S. S.:			
*5	Mar. '55	122½	123½	2.74
	Grand Trunk Pacific Rly.:			
3	Jan. '62	104	...	...
	Provincial Gov't Bonds			
	New Brunswick:			
3	Oct. '51	94½	95½	3.45
3½	Aug. '49	96	98	3.57
3½	June '36	96	98	3.68
c4	Nov. '47	109½	111	b.41
c4½	Apr. '61	110	113	3.53
c5	Jan. '60	113	115	3.82
	Nova Scotia:			
3	Jan. '52	98	99½	3.06
3½	June '56	99½	101	3.16
3½	Nov. '50	101	102½	3.16
c4½	Sept. '52	112	113	b1.73
c4½	Nov. '60	115	117	2.25
c5	Mar. '60	120	122	3.33
	Ontario:			
2½	May '45	100	101	2.11
3	Apr. '48	100	101	b2.71
3	Nov. '50	99	100	b3.00
3	Nov. '51	100½	101½	b3.05
3½	May '55	100½	101	b3.10
*4	June '62	115	117	2.88
4½	June '50	108½	110	3.04
*4½	Jan. '62	119	121	3.06
5	Oct. '48	109	110	3.16
*5	Dec. '60	125	127	3.04
5½	July '46	108	109	2.94
	Ont. Hydro Commission:			
3	Aug. '48	100	101	b2.74
3½	Feb. '53	100½	101½	b3.06
3½	Apr. '47	102	103	2.77
	Prince Edward Island:			
4	Mar. '54	102	104	3.57
	Quebec:			
3	Nov. '47	99	100	3.00
3½	Mar. '48	99½	100½	3.20
3½	Mar. '59	98½	99½	3.54
4	Nov. '52	102½	103½	b3.49
3½	Feb. '55	100½	101½	b3.33
4½	Aug. '56	105½	107½	3.93
4½	Jan. '63	110	112	3.66
	Alberta:			
4½	Oct. '56	74	77	d
4	Dec. '54	73	76	d
*5	Oct. '59	75	78	d
c5½	Apr. '52	76	79	d
6	Mar. '47	77	80	d
	British Columbia:			
4	Dec. '57	107	...	...
*4½	Jan. '51	111	113	2.74
c4½	Oct. '53	111	113	3.10
c5	Apr. '54	114½	116½	3.27
5½	Feb. '45	104	105½	3.06
6	Feb. '47	109½	111	3.21
	Manitoba:			
c4	Dec. '57	100½	102	3.83
c4½	Dec. '56	103½	105	4.03
*5	Dec. '59	107	109	4.33
5½	Oct. '55	109½	111½	4.23
6	Apr. '47	107	109	3.80
	Saskatchewan:			
4	Sept. '34	83	85	5.78
4	Nov. '60	82	84	5.40
c4½	Oct. '51	92½	94½	5.27
c4½	Mar. '60	88½	91	5.36
5	Aug. '38	90	92	5.77
5½	Oct. '32	96	98	5.77
6	Mar. '32	98½	100	6.00

*—Payable Can., N.Y. and £. b—Calculated to call date giving lowest possible yield. c—Payable Can. & N.Y. a—Payable N.Y. †—Callable on or after Sept. 15, 1966. d—Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e—Callable at a premium. ‡—N.Y. funds. ¿—Calculated at 1950 average maturity. ª—Callable on or after earliest maturity shown and payable at maturity at 101.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

Nov. 17, 1942

Industrial:	Bid	Ask
Acme Farm., pf.	56	..
Andian National	21½	24½
Anglo C. Tel. A.	7	7½
Atlas Steels, c.	20½	23
Do., pref.	103	..
B. C. Pulp, c.	9½	10½
Do., pfd.	64	67
B. C. Sugar	58	61
B. C. Tel. p.	100	..
Brown, com.	1½	1½
Do., pfd.	20	22
Burns & Co., A.	5½	7
Do., B.	3	4½
Can. Airways	1½	2
Can. Indust. A.	144	149
Can. Co-op. Wool	8	9½
Can. Mach. c.	8	10
Can. Ing. Rand.	59	63
Can. Mot. L.A.B.	6½	8
Cap. W. Cloth	5	..
Do., pref.	18	..
Chase A. W., p.	17	20
Colonial Steam.	44	47
Corr. Pap. Box c	1½	3
Do., rgts.	5½	8½
Dunlop T. p. $25	16	18
Easy Wash. p $10	9	10½
Galt Brass, c.	10½	12
Goderich Elev.	7½	8½
Guard. Realty, p.	11	14
Guelph Carp., c.	16	18½
Gurney Fdry., p.	1	1½
Hayes Steel, c.	14	16
High. Dairy	..	2
Do., pref.	..	47
Inglis, John	6	7½
Ingram & Bell p	87	..
Kingst. Ship., c.	11	..
Loblaw Inc. c.	10½	12
Minn.&Ont.P. c.	3½	3½
Mt. Royal H. c.	2½	3½

	Bid	Ask
Morrison Br. un	5	6½
M'row Screw p.	100	103½
Do., com.	14	16
Neilson, c.	10	..
Neilson, Wm. p.	100	..
N. Meth. Ldy. p.	71	..
Ont. Tobacco, p.	17½	19
Prov. Paper, pf.	92	96
Quinte Milk	2½	3½
Stand. Fuel, p.	46	50
Do., com.	1	1½
Stedman, pf. $50	54	57
Sutton Horsley	1	1½
Tor. Carpet c.	67	..
Un. F. Co-op.	3	5
Un. Steel, A. pf.	22½	24½
Viceroy Mfg. c.	12½	..
Trust & Loan Stocks:		
British Mtge.	112½	122
Brockville Tr.	43	..
Cap. Trust	28	32
Comm. Fin., co.	5½	7
Grey&Br.Tr. $50	42½	..
Guaranty Trust	100	102½
Guelph & O. $50	50	52½
Indust. Mtge.	24½	28
Lambton Loan	34	..
Midland Loan	12½	13½
Premier Trust	23	27
Sherbrooke Tr.	120	..
Sterling Trust	50	53
Th. Can. Inv. Tr.	1½	1½
Trad. Fin. A pf.	51	..
Trusts & Guar.	28½	31
Victoria Trust	65	70
Waterloo Trust	99	..
Insurance Stocks:		
Brit. Amer.	50	55
Canada Life	310	330
Canadian Fire	76	79

	Bid	Ask
Confed. 30% pd.	125	131
Cons. Fire	3½	..
Continental L.	30	34
Crown Life	255	285
Dominion Fire	135	140
D. of Can. Gen.	120	128
Empire, 25% pd.	4	5½
Excelsior 40% pd	65	70
Fed. Fire 25% pd	50	52
Great-West Life	210	225
Halifax Fire	14½	15½
Imperial Life	240	265
Manufac. Life	214	222
Monarch Life	32	35
National Life	7	9½
Sov. L. 25% pd.	11	12
Sun Life	220	240
Tor. General	4½	5½
Wellington Fire.	88	..
Western Assce.	35½	37½
Do., pref.	40	44
Theatre Stocks:		
Allen's St. Cath. units	52	55
Do., Kingston.	61	64
Do., Toronto p	31½	34
Manaf. Theat., p	35	..
Para. Kitch. p.	47	..
Do., Oshawa, c	7½	9½
Investment Trust Shares:		
Inv. Found. un.	40	42½
Sec's. Hold. pf.	17½	20
United Corp., A	20½	22½
Do., B	4½	5½
Power Issues:		
Can. W. N. Gas	26	..
Do., pfd.	104	107
Gt. Lakes Pr., p	100	104
Int. Util. $1.75 p	8	10
Do., $3.50 p	25	..
Mtl. Is. Pwr. p.	40	..

Unlisted Mines

Toronto, November 17, 1942

	Bid	Ask
Albany R (old)	.01	.04
(new)	.04	.08
Amal Kirk	.04½	.06
Anoki	.02	.03
Aquarius	.09	.14
Arjon	.02	..
Armistice	.03	..
Argosy	.02	..
Area	.04½	.06
Arntfield	.00½	.01½
Barb Lard	.01½	.02½
Brock	.04	.05
Clift Cons	.18	.20
Can Rad	.03	.06
Cent Man	.01½	.02½
Cheminis	.02	.03
Columb	.22	.24
Cons Chib	.03	.06
Delpine	..	.03
De Santis (new)	.02½	.03
Dona Pat	.00½	.01½
Eastward	.05	.10
Elmos	.03	.06
Franco	.18	..
Goodrock	.24	.25
Hayes Cad	.01½	.02½
Hoyle (new)	.07	.08½
Hugh P P	.02	.03
Kirk Town	.04	..
Lacoma	.00½	.01
Laguerre	.03	..
Lk Geneva	.06	..
Low Pete	.11	..
Magnet C	.17	.22
Magnet L	.06	..
Maj Mica	.27	.29
Maj Mol	.17	.19
Martin B	.01½	.03
Mat Can	.01	.04
Mat Cons	.07	.11
McMarm	.07½	..
Moffatt H	.01	.03
Mosher	.06	..
McManus	.00½	.01½
Nat Mal	.18	.20
Nick Off	1.00	1.20
Norbeau	.12	.17
New Rib	.00½	.01
Okiend	.03	.04
O'Lea Mal	.02	.03
Opemiska	.04	.07
Orpit	.01½	.02½
Pascalis	.14	..
Pontiac R (old)	.01	.04
Port Cold	.21	.23
Prop'ary	3.80	..
Preador	.02½	.03
Que Man	.21	.28
Rand Mal	.10	.12
Ritoria	.01	.02
S.A.G.A.	..	.25
Sheldon	.05	..
Springer	.13	.15
Stadacona	.04	..
Tombill	.15	..
Tomah'k	.60	.65
Thoms Lk	.06	.08
Union Min	.02	.03
Wesley	.00½	.01½
Young D	.20	.23

Supplementary Stock Quotations

(Furnished by Plaxton, Cherry & McDonnell, Toronto)

Bid and Asked as at Nov. 17, 1942, and change in bids from previous week.

Miscellaneous Stocks:	Bid	Ask.	Chge.
Allens Lond. The, pfd.	51½	54½	..
Brantford Roofing, c.	1.60	2.50	+½
*Can. Gen. Rubber, pfd.	..	21	..
Can. Gen. Sec's, A. B.	7	8½	..
C.P.R. 4% p. (£ par)	2½	3½	..
Can. Paving, pfd.	.80	..	+.30
Can. West. Lumber, c.	.15	.40	..
Cawthra Apts., pref.	2½	3½	..
Claude Neon, 7% pref.	1½	2½	+1
Collingwood Term., pf.	2	..	..
Do., com.	2	..	..
Colonial Realty, com.	2½	..	..
Commer. Life, 10% pd.	5	8	..
†Copeland Flour units	15½	17	..
Copland Brewing	.90	..	..
Dairy Corp., pref.	12	14½	..
Do., com.	1.00	1.40	..
Dom. Alloy Steel, pref.	.05	.15	..
Dom. Life, 70% pd.	177	280	+2
Dover Industries	6½	8	..
Dubuisson Gold	.10½	.12	+½c
Eastern Steel, 5% pref.	20½	21½	+½
Federal Fdries. com.	.05	..	..
†Ft. Wm. Hotel, units	..	45	..
Hart Battery, com.	4½	5½	+½
Loew's London Th. pfd.	7½	8	..
London & West. Trusts	30	32½	—½
Mont. Deb. Corp., pref.	2	..	..
Murphy Paint, com.	7½	9	..
Do., 5½% pref.	88½	91	..
Nat. Hosiery, com.	.85	1.10	..
Do., pref.	.95	..	..
†Nor. Amer. Elev. 1st pf.	90	..	..
*Do., 2nd pfd.	40	..	+10
Do., com.	..	..	..
Que. Pulp & Paper, pf.	23	25	—½
P. L. Robertson, old c.	302	..	..
Ritchie Cut Stone, pfd.	1	..	..
St. John Dry D. 5½% pf.	94½	98	..
Sincennes McN., com.	1½	..	+½
Supertest Pete., 6% pf.	26½	27½	..
Tip Top Tailors Inc. un.	9	10½	..
Viceroy Mfg., 6% pref.	21½	23½	—½
Waterloo Mfg., new c.	1.20	1.60	+.20
West. Can. Hydro, pf.	11½	12½	..
Western Life, 20% pd.	11	13	..
Windsor Hotel, com.	2½	3½	..

*Issue carries arrears.
†Currently paying on arrears.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$10.00	$10.05	8.65
Hogs	16.44	16.41	14.80
Copper, lb.	*.12	.12	.12
Cotton, lb.	.2021	.2036	.1719
Sugar, raw, lb.	*.0374	.0374	.0350
Wheat, Man. (bu.)	.90½	.90⅝	.72⅝
Coffee, lb.	*.09⅝	.09⅝	.09⅝
Hides	*.15½	.15½	.13½
Weekly Indices			
U. S. Labor	99.7	99.7	91.7
Dow Jones (fut.)	85.01	85.26	80.13
Wood Gundy	78.8	78.8	74.3
Fishers	108.5	108.4	98.8
Monthly Indices			
Canada (D.B.S.):			
Retail (Oct.)	117.8	117.4	113.5
W'sale (Sept.)	96.0	95.6	93.4
U. S. (Aug.)	99.2	98.7	98.3
Gt. Brit. (Aug.)	158.6	159.8	153.2

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price Toronto. Copper - electrolytic, New York. No. 7 coffee, Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis.
*Ceiling prices fixed by the office of Price Administration.

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Nov. 16 Bid	Ask
A				
Abitibi pref. 7%	...	13½	..	13
Acme Glove	...	3	2½	3
Do., pref.	6.50	48½	..	60
Agnew Surp. pref.	7	109	109	..
Aluminium pref.	6	117	110	117
Amal. Electric	.50	6	6½	..
Amer. Cyn. B.	.60	37	33	..
Ang. Can. Tel. p.	2.75	40½	39	42
Assoc. Brew., pref.	7	111	111	..
Assoc. T.&T.A.	...	1	1	..
Do., pref.	...	..	12	..
Ault & Wiborg	5.50	102½	103	..
B				
Barber Ellis	.47½	8½	6	..
Barker's Bread	...	.75	.50	1.00
Bathurst Pr. (B)	...	1½	1½	2
Beath & Sons	.80	5	4½	7
Beaver Lumber	...	3½	2½	5
Do., pref.	...	101	101	..
Belding Cort.	4+2	80	..	84
Do., pref.	7	116½	116	..
Biltmore Hats	.60	6	..	6½
Do., pref.	...	3	3	4½
Blue Ribbon	2.50	24	20	25
Do., pref.	.60	8½	9½	10
Blue Top Br. A.	...	9	8½	..
Do. "B"	...	3½	3	..
Brand, Hender.	...	..	..	24½
Brant. Cord. pf.	1.30	22	22	..
Bright, T. G.	...	6½	6½	..
Do., pref.	6	90	90	..
B.C. Power (B)	...	1.30	1.00	2.00
C				
Caldwell Linen	...	4	8½	..
Do., 2nd pref.	.80	8½	..	9½
Calgary Power pf.	6	97½	97½	..
Canada Bread	...	3	2½	2½
Do., pref.	6	100	100	..
Do., pref. (B)	2.50	34	35	40
Canada Bud	.40	5½	5½	5½
Can. Cr. Stone	.40	5½	3½	..
Canada Cycle p.	5	105	103½	..
Can. Forg. (B)	1.50	19½	17	..
Can. Iron	...	55	..	..
Do., pref.	6	8½½	..	..
Can. Starch	.50	8½	8	..
Do., pref.	7	113	108	..
Can. W. Cable	4	48½	50½	55
Do., pref.	6.50	107	106½	103½
Can. Bakeries	...	2.00	2.00	3.00
Can. Bronze	1.50+.50	29	29	30
Do., pref.	5	105	105½	106
Can. Celanese rts.	1	22½	21½	23
Can. Convert	...	15½	15	17
Can. Cottons c.	2	100	92	100
Can. Fairb. pf.	4+2	100	100	..
Can. Fire Insur.	4	70	..	..
Can. For. Inv. p.	8	105	105½	..
Can. Indust. (B)	6	140	140	..
Do., pref.	7	159	158	..
Can. Int. I. Tr.	...	.05	.10	.20
Do., pref.	2	36	34½	..
Can. Oil pref.	8	105	105	112
C. Pr. & Pa. In.	2	36	34½	..
Do., pref.	...	.15	.20	1.00
C. Tube & Stl.	...	1.00	1.25	2.00
Do., pref.	...	6	..	..
Can. Vickers pref.	‡5.25	100½	99½	103
C. Wallpaper A	...	22	21	24
Do. (B)	...	9½	9	..
Capital Estates	1	9	9	13
Carnation pfd.	1	1.00	..	1.00
Catelli Food	5	113	112½	..
Do., pref.	...	8½	8	10
Celtic Knit	...	10	10	..
Cent. Can. L'n	.75	1.50	1.50	..
Chart. Trust	8	145	..	135
Ch. Gal Wines	4	95	..	89
Chem. Research	...	2	..	2
City Gas & El.	...	.06	.05½	.12
Claude Neon	...	20	.15	.20
Coast Brew.	...	.65	.01	.05
Conduits Nat.	.12	1.15	1.15	..
Cons. Bakeries	.40	3½	3½	4
Cons. Div. Sec. pf.	.60	9½	9½	10
Cons. Press	.75	5	5	..
Cons. Sand pf.	...	3	3	8
Consumers' Gas	2.50	72	75	81½
Corr. P. Box p.	8	113	115	..
Cosmos Imp.	7	60	55½	65
Crown Cork	1.20+.15	21	22½	..
Crown Dom. Oil	2	20	28	30
Crow's N. Coal	1.25	1.25	1.25	..
Cub Aircraft	...	29½	28½	29½
D, E				
David & Fre. A	1+.15	9½	9	9½
Do., (B)	...	1.50	.50	1.00
deHavilland	...	5½	..	5½
Do., pref.	7+3.25ª	85	75	..
Disher Steel	...	1.05	.75	1.00
Do., Pref.	...	6	7½	10
Dom. Ang. Inv.	4	30	22	..
Do. pref.	5	75	75	84
Dom. Engineer	...	17	18	23
Dom. Envelope c.	...	6	..	7½
Dom. Found. pf.	6	105	107	110
Dom. Glass	5	114	112	115
Do., pref.	7	151	150½	..
Dom. Scot. Inv.	...	.50	..	.50
Do., pref.	2.50	23½	22	24
Dom. Square	...	1½	1½	..
Dom. Textile p.	7	151	150	..
East Koot. Pr. c.	...	.50	.10	..
East Dairies, c.	...	.50	..	.75
East Steel	1	11½	11½	12½
East Theat.	...	6½	6	..
Easy Washing	...	2½	3	..
Economic Inv.	2	25	..	23
Electrolux	...	3½	3½	..
Equitable Life	.15	5½	5	6
F, G				
Fam. Players	1	16	13	21
Federal Grain	...	.40	..	1.25
Do., pref.	6	37	..	39
Fleury Bissell	...	.50	.50	..
Do., pref.	...	10	10	14
For. Pr. Secs.	...	.15	..	.25
Freiman	...	.50	.50	..
Do., pref.	1.50	55	55	..
Gatineau Pwr.	.60	6½	6	..
Do., Rights	...	.10	..	.09
Gt. Lakes Pap.	...	2½	..	..
Do., pref.	1.50	16	5	20
Gt. West. Life	15	207	207	250
Gt. W. Saddlery	...	3½	3½	4
Greening Wire	.80	10½	9½	10½
Gurd Chas. pref.	...	70	..	..
H, I				
Halifax Fire	1	14½	14½	..
Ham. Cot., pf.	2	32	31	..
Ham. U. Theat.	...	.65	.65	1.40
Do., pref.	5	76½	70	90
Harding Carpet	1.20+.10	3½	3	3½
Hillcrest Coll.	...	..	.20	.90
Holt Renfrew	...	5	5	..
Do., pref.	...	45	..	..
Home Invest.	...	28½	33½	..
Humberstone S.	.50	6½	8½	..
Hunts (A)	...	6	..	8
Co., (B)	...	6	..	8
Huron & E. 20% pd	.80	7½	..	7½
Imperial Life	15	..	..	275
Imp. Tob. pref.	6%	..	6½	7½
Imp. Varnish c.	.50+.20	8½	..	8½
Inter-City Bak.	3	28	25	30
Inter'c Coal	5	35	35	..
Do., pref.	8	120	..	..
Inter Bronze c.	1.50	11½	11	12
Int. Coal & C.	.03	.25	.28	.40
Int. Metal Ind. pf. A	6+5ª	97½	90	90
Int Mill., pf.	5	110½	111	..
Int. Paints, pref.	1+.25ª	13½	13	15
Int. Pap. & P.	...	11½	..	..
Do., pref.	5	52½	..	..
Int. Util. (A)	...	3	2½	..
J, K, L				
Jam. Pub. Ser.	.68	13½	..	12½
Do., pref.	7	101½	101	..
Kelvinator	...	8½	..	8½
Lake of Woods pf.	7	115	..	118
Landed Bank	4	54	50	65
Langley's pref.	2	20	19½	20
Legare, pref.	...	22	8	9
Levy Bros.	.10	2½	..	3
Lindsay, C. W. pf.	2	51	50	..
M				
Mackenzie Air	...	1.00	..	..
Mackin Steel	...	1	..	3½
Do., pref.	5	60	55	75
Maple Leaf M. c.	...	5	3	3
Maritime Tele.	.80+.20	15½	16	18
Do., pref.	.70	16½	16	17½
Marcus Loew's	...	17½	16	17½
Do., pref.	...	15	16	..
Melchers	7	85	96½	..
Mod. Contain.	...	1	..	14
Do., pref.	1.20	14	16	16
Monarch Knit	3.50	90	88½	100
Do., pref.	...	5	5	..
Montreal Cot.	...	3	60	65
Do., pref.	7	55	65	..
Mont. Is. Pr.	5	116	115½	..
Montreal Tele.	7	25	25	..
Montreal Trams	1.82	22	22½	..
Moore Corp. p. (B)	...	246	22	..
Muirheads	7	.10	.15	.25
Do., pref.	...	2½	..	4
N, O				
Nat. Brew., pf.	1.75	36	36	38
Nat. Grocers, pref.	1.50	25	25	25½
N. Sew. Pipe A	...	8½	8½	9½
Noorduyn Av.	...	2½	2½	3½
North Star Oil	...	.60	.50	.90
Do., pref.	.35	3½	3½	3½
Nor. Can. Mtge. un.	...	5½	5½	..
North. Mtge.	.50	.75	.75	..
N.S.L. & Pr.	6	78	78	84
Do., pref.	6	106	106	..
Ogilvie Flour p.	7	151	151	..
Ont. Silknit	...	..	..	2
Do., pref.	3	34	32	38
Do., Scripts	1	11	10½	11
Ont. Steel	1	9½	8½	9
Do., pref.	7	110	110	115
Orange Crush	...	.50	.50	..
Do., pref.	...	1½	1½	..
Ott. Car Air	...	1½	..	4
Ottawa El. Rly.	4.20	20	20	..
Ott. L.H. & Pr. pf.	2	82	80	..
P, Q				
Page Hersey	5	87	86½	88
Pantepec Oil	...	6½	4½	5½
Paton Mfg.	4	30½	33	..
Do., pref.	7	113	111	..
Penmans	3	38	36	42
Do., pref.	6	120	120	..
People's Cr. Sec.	.25	5	4½	5½
Photo Eng.	1	11	11	12
Porto Rico Pr. p.	7	97	98	..
Power Corp. pref.	6	76	..	80
Do., 2nd pref.	3	30½	30	32½
Pressed Metals	...	4	4	4½
Price Bros. pref.	5.50	57	54	58½
R				
Real Estate L'n	2	24	25	..
Regent Knit, pref.	1.60	18	17½	21
Reliance Grain	...	3½	3½	..
Do., pref.	6.50+1.62½ª	70	70	72
River S. Mill	2	17½	18	20
Rolland Pap.	.60	7	7	7½
Do., pref.	6	93	90	95
Russell Indust.	.80	12½	12½	15
Do., pref.	7	145	145	149
S				
Sangamo	1	24	..	34
Sarnia Br. (A)	...	7	7	9
Do. (B)	...	2	2	2½
Scythes & Co.	1+.50	15	14½	19½
Do., pref.	1.75	24½	25	..
Sher. Wms. pref.	7	111	110	114
Simon & Sons, pf.	7	103	102	..
Simpson A.	...	6	6	7½
Simpson R., pf.	6	135	132	..
So. Can. Pr. c.	.80	10	9	10
St. Law. Flour	1.40+.50	22	23	..
Do., pref.	7	115	115	..
Stand. Chem.	1.25	12	9½	..
Stand. Clay	...	..	..	.85
St. Pav. & Mat.	...	.60	.55	6
Do., pref.	.31½	5	4½	20
Stedman Bros.	.60+.60	15	15½	6
Sterling Coal	...	.25	..	.25
Stop & Shop	...	3	..	12
Stuart, D. A. pf.	.80+.25	11	11	2
Supersilk, H. A.	...	..	2½	3
Do., (B)	...	..	..	..
Sup. Pete. Ord.	5	64	64	68
Do., com.	1+.25	18½	..	..
T, U, V				
Tamblyn, pref.	2.50	52½	52½	..
Thayers	...	1.25	1.25	..
Do., pref.	3.50	18	..	38½
Thrift Stores, c.	...	2	2½	4
Tip Top Tailors pf.	7	96	95	98
Tooke Bros.	...	1.75	1.00	..
Do., pref.	...	20	17	25
Tor. Elevators	2	20	20	..
Do., pref.	2.62½	50	49½	60
Traders Bldg.	...	44	44	..
Twin City	...	5	3½	10
Do., pref.	3.50	28½	..	..
Un. Amuse. A.	.80	13½	13	..
Do., (B)	.80	13½	13	..
United Distill.	.10	1.05	1.25	1.75
United Secs.	...	3	..	6
Viau Bisc.	...	3	4	..
Do., pref.	5	49	47	..
W, Y, Z				
Walkerville Br.	.05	1.20	1.20	1.25
W. Koot. Pr. p.	7	136	135	..
West C. Flour pf.	...	27	27½	30
West. Grain p.	...	7	..	7
West Grocers	2+2	48	47	50
Do., pref.	7	110	110	120
Weston G., pref.	5	90	91½	92
Wilsils	1	16	16	18
Wood, A.&J. p.	1	69	67	70
Woods Mfg. pf.	7	60	..	65
York Knitting	.40	4½	3½	4
Zellers, pref.	1.50	24	24	25

‡ Paid in 1942 to date.
ª On arrears.
*Net after corporate income tax.

Mining Stocks

	Div. rate	Last sale	Nov. 16 Bid	Ask
A				
Amm. Gold	...	.00½	.00½	.01
Anglo-Huronian	.20	2.00	1.75	2.25
Argus Interests	.04	.26	.26	.50
Arno	...	.01	..	.01½
Ashley	...	.02½	.03	..
Astoria Quebec	...	.02	..	.02
B				
Bagamac	...	.03½	.04	..
Bayonne	†.01	.03	.02	..
Beaufor	...	.02½	.01½	.03
Berens River	.12	.60	.40	.80
Brazil Gold	...	.03	..	..
Brett Tretnewey	...	.00½	..	..
Bunker Hill	...	.01½	..	.03
C, D				
Camp Bird	...	.02	.01	..
Cartier Malartic	...	.01	.00½	.01
Castle Trethewey	...	.50	.50	..
Cent. Manitoba	...	.02½	.02½	.02½
Coniagas	.10	.75	.60	..
Denison Nickel	...	.03	.03	.05½
Dentonia	...	.00½	.00½	..
F, G				
Fairview Amal.	...	.00½	.00½	.02
Flin Flon Gold	...	.02	.01½	.02
George Copper	...	.15	.10	.10
Gillies Lake	...	.02	.02½	.03
Glenora	...	.00½	.00½	.01
Golconda	...	.04	.04	..
Goldale	.02	.07½	.07½	.09
Goodfish	...	.01	.01	.01½
Graham Bosquet	...	.01½	.01½	.01½
Grandora	...	.05	.04	..
Grandview	.02	.10½	.11	..
Gt. Falls M.&S.	...	.06	.01½	.06
Grull Wihksne	.00½	.01½	.01½	.02
Gurney Gold	...	.01	..	.01
H, I, J				
Halcrow Swayze	...	.02	.01½	.02
Halliwell Gold	...	.00½	..	.01½
Hallnor Mines	.40	1.80	1.85	..
Hasaga Gold	...	.10	.10	.15
Home Gold	...	.00½	.00½	..
Indian Mines	...	.01½	.01	.01½
Inspiration	...	.25	.22	.26
Jacola	...	.00½	..	..
Jack Waite	...	.05½	.06	.08
J. M. Cons. Gold	...	.00½	..	.05
Jollet Quebec	...	.01½	.01	.01½
K, L				
Kerr Lake	ª.05	.22	..	..
Kirk. Gold Rand	...	.01	.01½	.02½
Kirk. Hud. Bay	...	.11	.15	.18
Kootenay Belle	...	.20	.17½	.21
Lebel Oro	...	.00½	.00½	.01½
M				
Man. & Eastern	...	.00½	.00½	.00½
Maralgo	...	.01½	.01	.04
McVittie Graham	...	.03½	.03½	.07
Mentor Exploration	...	.20	..	..
Minto Gold	...	.00½	..	.00½
N, O				
Negus Mines	.05	.26	.31	.40
Nicola	...	.00½	.00½	.01
Nor. Canada	...	.15	.13	.23
Norgold	...	.03	.03½	.04
Northern Empire	.30	2.00	..	..
Osisko	...	.02	.02	..
P, Q, R				
Pacific Nickel	...	.03	.06	..
Pandora	...	.01½	..	..
Pato Cons. G.	.40	2.25	2.20	2.50
Prospectors Air's	...	.12	.15	..
Quatsino	...	.01½	.01½	..
Quebec Gold	ª.02	.20	.25	..
Queenston Gold	...	.22	.22	.25
Quemont	...	.04	.02	.06
Red Crest	...	.00½	..	.02
Reeves McDonald	...	.26	.25	..
S, T, U, W, Y				
Salmon Gold	...	.00½	..	..
Silbak Prem.	.16	.40	.45	..
Slave Lake	...	.02	.02½	.02½
Straw Lake	...	.01	.01	.01½
Sudbury Contact	...	.02½	.01	..
Surf Inlet	.01	.06	..	.04
Taylor Bridge	...	.08	..	.04
Temiskaming	...	.03½	.03½	.04½
Towagmac	...	.08	.09	.11½
Uchi Gold Bonds	...	28.00	15.00	35.00
Whitsey Coughlan	...	.01½	.01½	..
Wpg. River Tin	...	.00½	..	.00½

Oil Stocks

	Div. rate	Last sale	Nov. 16 Bid	Ask
Acme Gas & Oil	...	.05	.04½	.06
Ajax	...	.13	.12	.16
Amalgamated	.04	.15	..	..
Anaconda	...	.02½	.02	.02½
Conmoil	.02	.17	.13½	.20
Common Pete.	...	.19	.18	.22
Dalhousie	...	.20	.17	..
Federated Pete	.01½	.32	..	..
Grease Creek	...	.01	.00½	.02
Homestead O. & G.	...	.02	.02	.02½
Marjon	...	.01	.01	.01½
Marvel Oils	...	.04	.02½	.04½
Mill City	...	.06½	.05	.07½
Model	.03	.13	.13½	.15
National Petroleum	...	.03	.04	.05
Oil Selections	...	.02½	.02½	.03
Okalta	.02	.27	.27	..
Petrol Oil & Gas	.04	.25	..	..
South End	...	.03	.02½	.03½
South West Pete	...	.15	..	.20
Spooner	...	.03	.04	..
Sunset	.03	.07½	.06½	..
Texas Can.	...	.70	.75	1.00
United Oils	...	.03½	.03½	.04
Vanalta	...	.04½	.04½	..

ªPaid in 1941. †Paid in 1942 to date.

Annual Meetings

Company	Place
1942:	
Nov. 24—B. C. Pulp & Paper*	Montreal
Nov. 24—Distillers-Seag.†	Montreal
Nov. 24—Distillers-Seag.	Montreal
Nov. 25—Imperial Bank	Toronto
Dec. 7—Bank of Montreal	Montreal
Dec. 8—Can. Bk. of Commerce	Toronto
Dec. 9—Dominion Bank	Toronto
Dec. 11—O'Brien Gold Mines	Montreal
1943:	
Jan. 14—Provincial Bank	Montreal

*Bondholders. †Com. Shareholders.

Investment Trusts

	Bid	Asked
Affiliated Funds	2.02	2.21
Can. Int. Trust	3.50	4.25
Can. Invest. Fund	3.10	3.40
Can. Investors	4.25	5.00
Corp. Investors	4.85	5.20
Trans-Canada	8.60	9.45

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Eastern Car	†6%	1952	Jan. 1	105
Nfld. Pr. & P.	*5½%	1970	Jan. 15	105
Ott. Val. Pwr.	‡4%	1964	Dec. 1	103½
Inter. Paper	5%	1947	Dec. 2	ª

†$52,000. ‡$106,000. *Offer to convert these debentures into new 3½% debentures closes Dec. 5, 1942. ªTenders for $100,239.

Stock Issues			
Beatty Bros.	6% 1st Pref.	Dec. 15	‡110½
Can. Wire & Cable, p.	ª6½% Pref.	Dec. 15	‡109½

‡Includes dividend accrued to date of redemption. ª$355,500.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

November 17, 1942

Public Utility Issues:	Int. Rate %	Due	Bid Nov. 17	Ask.	Bid Nov. 10
ªAlg. Cen. H.B.R.	5	'59	22	24½	21½
†Assoc. Tel. & T.	5½	'55	75½	78½	75
B. C. Power	4½	'60	98½	100½	98½
B. C. Tel.	4½	'61	105	107	105
†Calgary Pwr.	5	'60	111	113	110½
Do.	5	'64	104½	..	104½
†Can. Nor. Pwr.	5	'53	95½	98½	94½
*Dom. Gas & El.	6½	'45	108	110½	108
Gatineau Pwr.	3½	'49	100	102	100
*Do., A	3½	'69	101	103	101
ªDo., B	3½	'69	98½	100½	98
Gt. Lakes Pwr.	4½	'56	101	103	100½
Do.	5	'57	99	101½	99
*Int. Hydro-El.	6	'44	42	45	41
ªInter. Power	5	'55	100½	..	100½
L. St. Law. Pwr.	5	'55	100	102	100
Macl'n-Que. Pr.	5½	'59	100	102	100
Mtl. L. H. & Pr.	3½	'56	101½	103½	101½
Do.	3½	'73	99½	101½	100
Do.	3½	'63	100½	102½	100
†Mtl. Tramways	5	'51	101½	103½	101
†Do.	5	'55	86½	89	84
Nat. Lt. & Pwr.	5	'49	101½	104	101½
N. S. Lt. Pr.	4	'57	101½	103½	101
Ottawa L.H.&P.	5	'57	101½	104½	102
Ottawa V. Pwr.	5	'59	101	103½	100½
†Power Corp.	4½	'59	90	93	90
Quebec Pwr.	4	'62	102	104	102½
ªSaguenay P.	4½	'66	107	110	107
ªDo., B	4½	'66	104½	107½	104½
St. Maurice Pr.	4	'70	104	106	104½
Shaw, W. & Pr.	4½	'61	103½	105½	103½
Do.	4	'69	103½	105½	103½
Union Gas	5½	'50	95½	98½	95½
ªTwin C. R. Tr.	5	'52	94	97	96
†United Secs.	5½	'52	97½	100	97½
‡Wpg. El. ser. A.	5	'65	86½	89½	86
Do., B	5	'65	77	80	76½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	57	60	55½
Do., C.O.D.	5	'53	54	57	53
Acadia Sugar	4½	'55	101	103	101
Do.	6	'54	94½	97½	93½
†Alta Pa. Grain.	6	'46	103½	106	103½
Algoma Steel	5	'48	102½	105	102
Atlantic Sugar	5	'51	101	103	101
†B. C. Pulp & P.	4	'50	83	86	82½
‡†Do.	7	'50	114	..	113
ªBrown Co.	5	'59	78	81	78½
Burns & Co.	5	'58	71	74	70½
Canada Cement	4½	'51	103	105	102½
Canada Electric	5	'65	98	100	98
Can. Paper	4½	'53	99½	101½	99½
Can. Steamship.	5	'57	102	104	102
Can. Canners	4	'55	101½	103	101½
†Can. Int. Paper	6	'49	95½	97½	95
‡Can. Locomotive	6	'51	95	97	95
†Candn. Vickers	6	'47	84	87	84
C.P.R.	6	'47	97	99½	97
Do.	5	'48	100	102	99½
†Col. Steamships	6	'54	101	103	101
†Consol. Paper	5½	'61	63	65	63
Dom. Coal	5	'53	97	99½	96½
Dom. Scott. Inv.	5	'53	..	—	..

Corporation Bonds (Cont'd)

Industrial & Realty Issues:	Int. Rate	Due	Bid Nov. 17	Ask.	Bid Nov. 10
Dom. Stl. & Co.	6½	'55	102	104½	102
Dom. Tar	4½	'51	102½	105	102½
Dom. Woollens.	6	'53	98	100½	98
†Donnacona Pap.	4½	'56	76	78½	75½
*Dryden Pap.	6	'49	102½	105	102½
†East. Dairies	6	'49	70	73	70
Famous Players	4½	'51	101	103½	101
†Federal Grain	6	'49	103½	106	103½
†Fraser Cos.	6	'50	103	105½	102½
Galt Brass	5	'50	95	98	95
Gen. Stl. Wares	4½	'52	101	103½	101
ªGt. L. Paper	4½	'55	90	92½	88½
ªGurney Fdry.	5½	'48	80½	83½	80½
†Gypsum Lime	5½	'48	102½	105	102½
Ham. By-Pr. C.	5	'55	101	103½	101
Do.	6	'56	100	102½	100
Ham. Cotton	5	'50	100	102½	100
Inter-City Bak.	4½	'48	101	103	101
Indust. Accept.	5½	'52	82	85	83
Ins. Ex. Bldg.	3	'51	53	56	53
*Inter. P. Nfld.	5	'68	95½	98½	95½
ªInv. Bond & Sh.	5	'47	35	40	35
†Kingston Elev.	6	'50	104½	107½	104½
Lake St. J. P.	5½	'61	78	81	78
Do.	5½	'61	47½	50½	47
Legare	6	'61	88	90½	88½
Maple L. M.	6	'58	87	..	88
Man. Sugar	6	'60	102½	105	102½
Massey-Harris	4½	'54	97½	100	97½
McColl-Fron.	4½	'49	98	100	98
McCormicks	4½	'32	97½	100½	97½
Do.	4½	'52	104	106	103½
Mercury Mills	6	'50	94½	97½	95
Mersey Paper	5½	'57	91½	94½	91½
†Do.	5½	'60	91½	94½	91½
ªM. & O. Paper	6	'40	98½	100½	97½
Moirs Ltd.	5	'48	75	80	75
†Mtrl. Drydocks.	4	'48	84	87	83½
Montreal Apts.	4	'54	40	46	40
Nat. Grocers	4½	'47	101½	..	101½
N. S. Stl. Coal	3½	'63	81	84	81
Price Bros.	5	'57	89	92	89½
Do.	6	'57	68	71	69
ªProv. Paper	4½	'47	104	107	104
Reliance Grain	5½	'52	97½	100½	97½
†Restigouche Co.	5	'48	102	104	102
Rolland Paper	4½	'51	101½	103½	101½
Ruddy, E. L.	6	'48	75	80	75
Silv. Dairies	6	'66	95	98	95
Simpsons, Ltd.	4½	'51	100	102	99½
Smith, Howard.	4½	'51	102	104½	101½
Stand. Lime	6	'44	98½	101	98
Sterling Coal	5	'45	100	100½	98
Stop Shop	3	'47	63	66	63
United Amuse.	6	'36	100	102½	100
United Corp.	5	'53	93	95	93
ªUnited Gas	5½	'48	104½	107½	104½
United Gr. Grs.	5	'48	101	103	101
†Western Grain	6	'49	62	65	62

*Payable in Can. or U.S.
†Payable in Can., U. S. or U. K.
‡Payable in U. S.
ªPayable in Canada only.
ªTraded without accrued interest.
‡Payable in Can. or U. K.

Dividends Declared

	This payment $	Date payable	Date of record
Anglo-Can. Tele. A.	.15	Dec. 1	Nov. 14
Aunor Gold	.04	Dec. 5	Nov. 16
Aluminium, c.	2+2	Dec. 5	Nov. 14
Do., pref.	†1.50	Dec. 1	Nov. 7
Asbestos Corp.	.20	Dec. 30	Dec. 1
Do. bonus	.30	Dec. 30	Dec. 1
Bk. of Montreal	1.50	Dec. 1	Nov. 16
Bank of Toronto	2.50	Dec. 1	Nov. 14
Bk. Can. Nat'le	1.50	Dec. 1	Nov. 14
Beatty Bros. A	.25	Jan. 2	Dec. 15
Do., 2nd pref.	3.50	Jan. 2	Dec. 16
Bank of N. Scotia	2.50	Jan. 2	Nov. 6
Bathurst Pwr. A.	.25+.25	Dec. 1	Nov. 30
Barber-Ellis, c.	.12½	Dec. 15	Nov. 30
Beattie Gold	.03	Dec. 23	Nov. 28
Belding Cort.	1	Jan. 2	Dec. 15
Do., pref.	1.75	Jan. 2	Dec. 15
Berens River M.	.03	Dec. 15	Nov. 20
Bruck Silk	.10	Dec. 31	Nov. 28
Canada Bud	.20	Dec. 14	Dec. 7
Canada Vinegars	.10	Dec. 1	Nov. 16
Do., bonus	.10	Dec. 1	Nov. 16
Coniaurum Mines	.03	Dec. 23	Nov. 28
Can. & Dom. Sugar	.20	Dec. 1	Nov. 10
Can. Wire & Cable, A	1	Dec. 15	Nov. 30
Do., B	.50	Dec. 15	Nov. 30
Do., pref.	1.62½	Dec. 15	Nov. 30
Can. Ind. Alc., A B	.25	Dec. 1	Nov. 6
Canadian Oil, c.†	.20	Dec. 15	Nov. 25
Canada Dry	†.15	Dec. 11	Nov. 20
Can. Breweries, p.	.25	Jan. 2	Dec. 1
Can. Bakeries, pfd.	1.25	Dec. 1	Nov. 17
Corr. Paper Box, pf.	1.75	Dec. 1	Nov. 16
Can. Fairbanks c	.37½	Dec. 16	Dec. 1
Can. Foundries A	1.50	Dec. 18	Dec. 1
Do. (B)	.10	Dec. 15	Dec. 1
Can. Cr. Stone	.35	Dec. 15	Nov. 2
Cockshutt Plow	.25	June 1 '43	May 15
Do.	.25	..	..
Can. Int. Inv. Tr. pf.	.50	Dec. 31	Dec. 16
Confederation Life	1.50	Dec. 31	Dec. 26
Can. Malartic G.	.02	Dec. 23	Nov. 25
Cons. Div. Sec. p	.37½	Dec. 15	Dec. 1
Crow's Nest Coal	1.50	Dec. 1	Nov. 30
Distillers Seag.	35½	Dec. 15	Nov. 30
Do., pref.	†1.25	Feb. 1	Jan. 15
Delnite Mines	.05	Nov. 30	Nov. 7
Dom. & Ang. Inv. p.	1.25	Dec. 1	Nov. 14
Dominion Stores	.10	Dec. 15	Nov. 20
Dome Mines	.40	Jan. 20	Dec. 31
Dom. Bridge	.30	Nov. 25	Oct. 31
Dom. Scot. Inv. p.	.50	Dec. 1	Nov. 20
Eng. Electric A	.50	Dec. 1	Nov. 20
Eastern Steel	.25	Dec. 1	Nov. 10
Falconbridge Nickel	.10	Dec. 22	Nov. 30

Dividends Declared (Cont.)

	This payment $	Date payable	Date of record
Gen. Stl. Wares	.20	Dec. 1	Nov. 16
Do., pref.	1.75	Nov. 23	Nov. 9
Granby Cons.	■†.15	Dec. 1	Nov. 13
Gt. Lakes Pap. A. B.	.75	Dec. 31	Dec. 21
Hallnor Mines	.10	Dec. 1	Nov. 16
Honey Dew	.50	Jan. 2	Dec. 15
Hard Rock G.	.03	Dec. 23	Dec. 4
Hinde & Dauch	.25	Dec. 21	Dec. 5
Hollinger Cons.	.05	Dec. 2	Nov. 18
Huron & E. Mtge.	1.00	Jan. 2	Dec. 15
Imperial Oil	.25	Dec. 1	Nov. 16
International Pete	.50	Dec. 1	Nov. 19
Inter. Nickel c.	†.50	Dec. 31	Dec. 1
Imp. Varnish	.12½+.10	Dec. 1	Nov. 20
Do., pref.	.37½	Dec. 1	Nov. 20
Indust. Accept. A.	.25	Dec. 31	Dec. 24
Do., pref.	1.25	Dec. 31	Dec. 24
Lake Shore M.	.20	Dec. 15	Dec. 1
Lake of W. Mill.	.30	Dec. 1	Nov. 14
Do., pref.	1.75	Dec. 1	Nov. 14
Langley's pfd.	■.50	Dec. 11	Dec. 2
Lang, J. A.	.17½	Jan. 2	Dec. 15
Laura Secord	.20	Dec. 1	Nov. 14
Loblaw Groc. Inc.	†.25	Dec. 1	Nov. 13
Lob. Gr. A. B.	.25+.12½	Dec. 1	Nov. 10
McK. R. Lake	.03	Dec. 15	Dec. 1
Mitchell, Robt.	1.00	Dec. 15	Dec. 1
Maclaren Pwr.	.25	Nov. 30	Nov. 14
Melchers Dist. pf.	.30	Dec. 15	Dec. 1
McIntyre Porc.	.55½	Dec. 1	Nov. 2
Do., extra	1.11	Jan. 2	Nov. 2
Macassa Mines	.06	Dec. 15	Nov. 30
Montreal Loan	.31¼	Dec. 15	Nov. 30
Nat. Grocers, pf.	.37½	Jan. 1	Dec. 15
Nipissing Mines	■.10	Dec. 23	Nov. 30
North. Emp. M.	.20	Dec. 15	Nov. 27
Nat. Biscuit, pref.	†1.75	Nov. 30	Nov. 13
Noranda Mines	1.00	Dec. 15	Nov. 20
N. S. Light & Pr. p.	1.50	Dec. 1	Nov. 14
Ogilvie Flour, pref.	1.75	Dec. 1	Nov. 18
Ottawa L. H.	.15	Jan. 1	Nov. 19
Do., pref.	1.25	Jan. 1	Nov. 19
Paymaster Cons.	■.01	Jan. 15	Dec. 31
Paramount Pict. pf.	†1.50	Dec. 29	Dec. 21
Do., com.	†.30	Dec. 29	Dec. 19
Paton Mfg.	1	Dec. 15	Nov. 30
Do., pref.	1.75	Dec. 15	Nov. 30
Pend Oreille	.06	Dec. 28	Nov. 30
Pickle Crow	.10	Dec. 31	Dec. 15
Pato Cons. Gold	■.15	Dec. 14	Nov. 21
Preston E. Dome	.05	Jan. 15	Dec. 23
Provincial Bank	1.25	Dec. 1	Nov. 15
Quebec Power	.25	Nov. 25	Oct. 25
Real Est. Loan	1.00	Jan. 2	Dec. 17
Regent Knit., c.	.25	Jan. 15	Jan. 2
Reliance Gr., pf.	1.62½	Dec. 15	Nov. 30
Do., arrears	1.62½	Dec. 15	Nov. 30
Rolland Paper, pf.	1.50	Dec. 1	Nov. 16
Royalite Oil	.50	Dec. 1	Nov. 14
Royal Bank	1.50	Dec. 1	Oct. 31
Sigma Mines	■.30	Jan. 15	Dec. 31
Siscoe Gold	.01½	Dec. 15	Nov. 12
Sherritt Gordon M.	.03	Dec. 19	Nov. [illegible]
Stuart, D. A., Oil, p.	.20	Dec. 1	Nov. [illegible]
Sylvanite Gold	.03	Jan. 15	Dec. [illegible]
Toburn Gold	.02	Nov. 23	Oct. [illegible]
Toronto Elev., pfd.	.66	Dec. 7	Nov. [illegible]
Upper Can. Mines	.02½	Nov. 28	Nov. [illegible]
United Amuse., A, B	.40	Nov. 30	Nov. [illegible]
Ventures	■.05	Dec. 30	Dec. [illegible]
Waite Amulet	.10	Dec. 10	Nov. [illegible]
Walker, Hiram	1.00	Dec. 15	Nov. [illegible]
Do., pref.	.25	Dec. 15	Nov. [illegible]
Westminster Paper	.25	Nov. 2	Oct. [illegible]
Walkerville Br.	■.05	Dec. 3	Nov. [illegible]
Wilsil	.25	Jan. 2	Dec. [illegible]
Western Steel	.50	Dec. 1	Nov. [illegible]
Wr.-Hargreaves	.10	Jan. 2	Nov. [illegible]

†N. Y. funds. ■Subject to approval Foreign Exchange Control Bd. ‡E[illegible]

Dividends Passed:
Andian National.

DIVIDEND NOTICES

Banque Canadienne Nationale

QUARTERLY DIVIDEND

NOTICE is hereby given that a dividend of one and a half per cent (1½%) has been declared by the Directors of Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 30th day of November, 1942. This dividend, bearing the number 207, will be payable at the Main office or at the branches of the Bank, on or after the 1st day of December, 1942, to the shareholders of record on November 14th, at noon.

By order of the Board,

CHARLES ST-PIERRE,
General Manager.

The Bank of Toronto

Dividend No. 245

Notice is hereby given that a **Dividend of Two and One-Half Per Cent** upon the Paid-up Capital Stock of this bank has been declared for the current quarter, and the same will be payable at the bank and its branches on and after the first day of December next, to shareholders of record on November 14th, 1942.

By Order of the Board.

B. S. VANSTONE,
General Manager.

PICKLE CROW

GOLD MINES LIMITED
(No Personal Liability)

NOTICE OF DIVIDEND NO. 27

Notice is hereby given that a dividend of Ten Cents (10c) per share in Canadian funds has been declared, payable on Thursday, December 31, 1942, to shareholders of the company of record at the close of business on Tuesday, December 15, 1942.

By Order of the Board

ROBERT FENNELL, K.C.,
Treasurer

Toronto, Ont., Nov. 16, 1942.

Hollinger Consolidated Gold Mines Limited

DIVIDEND NUMBER 364

A regular dividend of 1% has been declared by the Directors on the Capital Stock of the Company, payable on the 2nd day of December, 1942, to shareholders of record at the close of business on the 18th day of November, 1942.

Dated the 11th day of November, 1942.

P. C. FINLAY, Secretary.

McKenzie Red Lake Gold Mines Limited

(No Personal Liability)

DIVIDEND NO. 24

Notice is hereby given that a quarterly dividend, amounting to three cents per share for the fourth quarter of 1942, has been declared payable December 15th, 1942, to shareholders of record at the close of business December 1st, 1942.

By order of the Board.

H. M. ANDERSON,
Secretary-Treasurer.

Toronto, Ont., November 12th, 1942.

Ottawa Light Heat and Power Company, Limited

The following dividends are payable 1st January, 1943, to Shareholders of record 19th November, 1942.

Preferred Stock: 1¼% (being at the rate of 5% per annum.)

Common Stock: Fifteen Cents (15 cts.) per share on the No Par Value Shares.

The transfer books will not be closed.

By Order of the Board.

F. W. FEE,
Secretary.

OTTAWA, 12th November, 1942.

DIVIDEND NOTICE

The Robert Mitchell Co. Limited

Notice is hereby given that a dividend of One Dollar ($1.00) per share upon the outstanding Capital Stock of the Company has been declared payable on the 15th day of December, 1942, to shareholders of record on December 1st, 1942.

By Order of the Board,

H. S. McGEE,
Secretary.

Montreal, P.Q.
November 12th, 1942.

LANGLEY'S LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of .50c. per share on the outstanding paid up Seven per cent (7) Cumulative Redeemable Preference Shares of the Company, which was declared by the Board of Directors at a meeting held on January 27th, 1942, will be paid on December 11th, 1942, to shareholders of record at the close of business on December 2nd, 1942.

By order of the Board.

P. G. Shay,
Secretary-Treasurer.

Toronto,
November 10th, 1942.

Royalite Oil Company, Limited

NOTICE OF DIVIDEND NUMBER TWENTY-NINE

NOTICE is hereby given that a regular Dividend of Fifty Cents per share has been declared payable to shareholders of the Company, of record as such on the books of the Company, at the close of business on Saturday, the 14th day of November, 1942, and that the said Dividend will be payable on or after Tuesday, the 1st day of December, 1942.

The Register of Transfers will be closed from the close of business on Saturday, the 14th day of November, 1942, until the opening of business on Monday, the 23rd day of November, 1942.

By Order of the Board,

R. D. MERCER,
Secretary.

CALGARY, Alberta,
10th day of November, 1942.

The Business Of Farming

By GORDON L. SMITH

Efforts will be made this winter to streamline Canadian agriculture more directly behind the national war effort. Plans are being discussed by farm leaders in various provinces and active direction is expected to be coming from Ottawa shortly. In any national plan these essential farm facts must be considered:

1. Increased agricultural production is a long term proposition, in some lines running into three to five years.
2. Some farm products for which there is only limited war demand now will enjoy a much wider market after the peace and vice versa.

* * *

Must Be Cautious

With these points in mind farm authorities can only proceed with the utmost caution, guarding against building up unsaleable postwar surpluses and at the same time making sure that immediate war needs are supplied as fully as possible. A combination short term and long term policy is almost inevitable under such circumstances.

For the time being, for instance, the emphasis will be off wheat, though it is expected that after the war, or even before if we recapture a big part of Europe, there will arise a sudden demand for this product. The most immediate job facing the victorious United Nations will be the provision of bread for the victims of Hitler.

But just now, with the whole of Europe cut off and our elevators bulging with wheat, the pressing need is for concentrated food products like bacon, butter, cheese and beef. Since the beginning of the war output of these has been stepped up again and again with great areas of western Canada turning out thousands of hogs and a substantial flow of dairy products, where a few years ago only grain was grown.

* * *

Postwar Problem

This western mixed farming development while mightily appreciated now may cause an embarrassing postwar problem especially if Denmark and other European surplus food producers come into the picture suddenly. Canada might easily find itself with more hogs, cheese and butter than the domestic, and what is left of the export market, could consume. If such a situation develops then new western producers would face either liquidation of special buildings, equipment and foundation stock or a price cutting battle with the older established livestock industry of eastern Canada. In such a battle both sides would be sure to suffer heavy losses though the more plentiful supply of cheap feed grains in the Prairie Provinces might prove the deciding advantage. But farm authorities are hopeful that by planning now and a wise peace treaty a violent postwar adjustment period may be avoided.

* * *

The McIntosh Apple

The average Canadian townsman has a vague idea that the world is indebted to Canada for Marquis wheat. He is less aware, however, that we also contributed a great apple, the McIntosh, a variety that commands the top price on the world fruit stands at the season.

Unlike Marquis wheat, which was the deliberate and planned result of the experimental plot and laboratory, the McIntosh was a straight gift from nature. The original tree was discovered over a century ago growing wild on a farm near the village of Dundella in eastern Ontario. All of the millions of McIntosh trees in Canada, the United States, New Zealand and elsewhere trace back directly to that single tree.

In propagating true apple varieties, of course, either a piece of twig known as a "scion," or a live bud is taken from the parent tree, and grafted onto nursery stock. Literally thousands of grafts were taken from the original tree near Dundella and as these grafts grew into new trees they in turn provided scions for still wider distribution.

* * *

$200 Millions in Hogs

If Canadian farmers are able to fill their annual quota of 675 million lb. of bacon for Great Britain this year and also meet the new gain in domestic consumption, they will have to send to market for this purpose alone some eight million hogs. For this they should receive approximately $200 millions or $25 per hog. This is equivalent to more than half the gross value of our wheat crop in a normal year.

* * *

Eat More Meat

Not since the first great war have Canadians been eating so much meat. Last year there was a gain of three lb. in consumption of beef bringing the total to 53.5 lb. for every man, woman and child in Canada. Pork also jumped a trifle up over 3½ lb. bringing total to 60.2 lb. Lamb and veal consumption, two comparatively minor meats in Canada, totalled 5.5 and 10.7 lb. respectively.

To meet these increases, particularly in pork, for which there is also a huge export market, Canadian farmers increased their holdings of livestock substantially. The situation, however, has been handicapped by the fact that consumption can be more speedily increased than production, especially in the larger types of livestock such as cattle and hogs.

* * *

Oil Crops

Because of the shortage of vegetable oils, cut off by the Japs in the Pacific, production of flax seed has become of more than usual interest.

Production in Canada is estimated at almost 17 million bushels. This is a very large gain over the 6.4 millions a year ago and an average of only a little over a million bushels for the five-year period ending with the war. In the United States, production has been boosted from a five-year average of less than eight million bushels to almost 43 million bushels this year.

But the big world flax seed producer is the Argentine where almost 70% of total world output is produced. The crop last year was slightly under 63 million compared with a prewar average of 67.7 million and acreage sown this year is down 11% from 1941-42.

DIVIDEND NOTICES

Canadian Malartic Gold Mines Limited

25 King Street West, Toronto.

DIVIDEND NO. 19.

NOTICE IS HEREBY GIVEN that a dividend of 2 cents per share has been declared by the Directors of Canadian Malartic Gold Mines Limited, payable in Canadian funds on December 23rd, 1942, to shareholders of record November 28th, 1942.

By Order of the Board.

H. WHITTINGHAM,
Secretary-Treasurer.

November 12th, 1942.

RELIANCE GRAIN COMPANY LIMITED

6½% CUMULATIVE PREFERRED STOCK

A DIVIDEND of one and five-eighths per cent (1⅝%) per share, being the dividend for the quarter ending November 30, 1942, and a dividend of one and five-eighths per cent (1⅝%) per share, being the dividend for the quarter ended November 30, 1938 are hereby declared and authorized to be paid on December 15, 1942, to all preference shareholders of record with the Transfer Agents of the company at the close of business on November 30, 1942.

By order of the Board,

A. W. GIBB, Secretary.

Winnipeg, October 14, 1942.

Hard Rock Gold Mines Limited

(No Personal Liability)

DIVIDEND NO. 7
(Interim)

NOTICE IS HEREBY GIVEN that an interim Dividend of three per cent (i.e. 3c per share) on the outstanding Capital Stock of the Company has been declared payable December 23rd, 1942, to Shareholders of record at the close of business December 4th, 1942.

BY ORDER OF THE BOARD.

W. S. WALTON,
Secretary.

November 14th, 1942.

Lake Shore Mines Limited

(No Personal Liability)

DIVIDEND NO. 91

NOTICE is hereby given that a dividend of Twenty Cents per share, on the issued capital stock of the Company, will be paid on the fifteenth day of December, 1942, to shareholders of record at the close of business on the first day of December, 1942.

By order of the Board.

KIRKLAND SECURITIES LIMITED
Secretary.

Dated at Kirkland Lake, Ontario,
November 14th, 1942.

DIVIDEND NOTICE

English Electric Company of Canada, Limited

CLASS "A" SHARES

Notice is hereby given that the Board of Directors have declared a dividend of sixty-three cents (63c) per share on the outstanding Class "A" shares of the Company, payable December 15th, 1942, to shareholders of record at the close of business on November 30th, 1942.

AUBREY MUNDY,
Secretary.

November 16th, 1942.

Steel of Canada Features New Mill

A pictorial review of its new 110 in. plate mill has been published by Steel Co. of Canada. It is explained that this mill which follows plans for future expansion of the company's Hamilton works, was started in 1939 and is intended to be the first unit of a strip sheet mill. This mill came into production in April, 1941, just in time to provide plates for Canada's shipbuilding programme.

The story points out that Steel of Canada produces the ore from its own mines, the coal for coke from its own properties and carries the process through from beginning to end in its own plants.

Volume of production from the new mill has increased steadily and now exceeds its rated capacity. On two different occasions in September the mill produced more than 1,000 tons of lighter weight plate in a 24-hour run. If heavier were being rolled, this figure would have been exceeded considerably, it is claimed.

NOTICE

The Dominion Bank

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, the ninth day of December, 1942, at the hour of 2.30 o'clock in the afternoon.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 22nd October, 1942.

The Canadian Bank of Commerce

The annual meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its banking house, number twenty-five King Street West, Toronto, on Tuesday, the eighth day of December next.

The chair will be taken at eleven o'clock a.m., Eastern Daylight Saving time.

By order of the Board,

A. E. ARSCOTT,
Vice-President and General Manager.

Toronto, 9th October, 1942.

What's Future For Wheat?

West Speculates on Plans For Restricting Output

From Our Own Correspondent

WINNIPEG. — Relief was felt in western Canada when Hon. James Gardiner, Minister of Agriculture, denied consideration was being given a plan to ban wheat growing in certain sections of the prairie provinces. His statement followed a report in a Winnipeg newspaper that a spectacular change in wheat policy was contemplated.

Mr. Gardiner declared no programme prohibiting wheat growing by areas could succeed.

Nevertheless, such an idea has been propounded in various places during the last few months. This is the first time that it has been brought into the open. Actual prohibition of wheat growing has not been so much suggested, as prohibition of wheat marketing in some districts, with farmers left free to grow wheat for their own use as feed grain, but not allowed to sell it. Various names, such as "planned production," or "zoned production," have been proposed, and plausible arguments have been in circulation in support of the scheme.

Where It Started

The talk originated when the terms of the Washington Wheat Agreement were announced. This seemed to commit Canada to acceptance of a limited international market for wheat, to be shared, in agreed proportions, by exporting countries.

Compliance with the agreement, and projection of the plan of apportionment into the future, might mean that Canada would be precluded from exporting all the wheat present acreage would produce. Some kind of adjustment might be required.

Until the crop of 1942 was harvested there was one solution frequently suggested in private conversation, which no one ventured to advocate publicly — "Close up part of Saskatchewan and move the people somewhere else." A long series of crop failures in southern Saskatchewan was cited as reason for believing that that area could not support its present population.

What slight chance there ever was that the people of Saskatchewan would accept such an idea vanished with the crop production of 1942, which restored the faith of that province in its productive powers.

Then, for a time, the idea was abroad that farmers generally in western Canada would willingly submit to have their wheat marketings permanently restricted by a system of acreage quotas. The fact that delivery quotas had been imposed for a time during two successive crop years, in order to equalize use of elevator facilities, and had given rise to no complaints, seemed to justify that view.

Attitude Toward Quota

But when it became apparent that the quota system during the current crop year would not be temporary, but would mean a limitation of the total deliveries of each farmer, a different attitude toward quotas became apparent. The largest quantity of wheat any farmer can hope to dispose of this year is 14 bushels per acre, and the prospect of continuing indefinitely under such limitations is a dreary one.

Here's another proposal going the rounds: "Let areas grow wheat which cannot grow other crops satisfactorily, and let wheat growing be reserved to farmers in such areas."

It happens that those parts of Saskatchewan which have suffered most from drought during recent years are precisely those areas which must grow wheat if they are to grow anything, so such a plan would be the exact reverse of closing up a part of Saskatchewan.

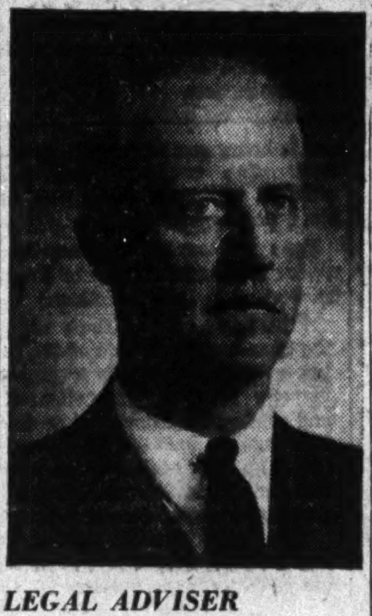
If Manitoba and central and northern Alberta could be persuaded or compelled to get out of wheat, in order to let the straight wheat country have a monopoly of Canadian wheat production, then that country could face the future without worrying over the restrictions of the Washington wheat agreement.

Manitoba and Alberta would then be carrying whatever burden might result from this country's decision not to engage in cut-throat competition with Argentina for the international wheat market. Whether those provinces be driven into unrestricted competition with Ontario and Quebec for the domestic market in livestock and dairy products was a question bound to emerge as soon as such a plan should be brought into the open for discussion.

Had Mr. Gardiner's denial of the rumor about a new wheat policy not been made promptly, the west would be entering a heated discussion of sectional interests.

Fundamental Question

There remains the fundamental question of what adjustment Canadian agriculture can make in the future if wheat exports are to be permanently restricted. Actually, that question is receiving comparatively little attention, perhaps because the west wants to see the war won before worrying over what comes after, and perhaps because it finds it difficult to believe that a world at peace will not want what western Canada can produce to best advantage.



LEGAL ADVISER

R. D. Taylor, who has been appointed legal adviser of the Sun Life Assurance Co., succeeding J. Armitage Ewing. Mr. Ewing has retired.

Opening of U. S. Market To Feed Grains Hinted

From Our Own Correspondent

WINNIPEG. — Most important grain news of the week has been the statement of U. S. Secretary of Agriculture Wickard, quoted as saying that 300 million bushels of Canadian feed grains would be made available to the United States as soon as possible.

It is not clear whether Mr. Wickard meant to imply that the U. S. tariff duties against Canadian feed grains were to be removed; a distinct possibility in view of the fact that the administration there now has power to take such action.

It is extremely important to Canadian grain producers that the Government at Washington evidently recognizes a clear need for large supplies from Canada. It is also important that Washington realizes that Canada has such great supplies to spare.

Canadian grain men with contacts in Washington report that a few months ago officials of the Department of Agriculture received with complete incredulity, statements to the effect that Canada could supply 250 million bushels of feed grain if the United States could find use for such a quantity. One reason for such doubts appears to have been a failure in American agricultural circles to realize the extent to which Canadian farmers would willingly turn to the feeding of wheat. Releasing oats and barley for export as required.

There was some weakening of the coarse grains market at Chicago on the strength of Mr. Wickard's announcement. A corresponding strengthening might have been anticipated at Winnipeg but there are good reasons why such a reaction might be delayed. Prospective American purchasers, if they have any reason to anticipate abolition of or reduction in duties, will naturally delay purchases until the situation is cleared up.

American buyers so far have not been asking forward commitments in the market, but have been buying only for immediate shipment. Quite possibly this means only that they are feeling their way into an unaccustomed trade and want to be sure of the quality and the demand for a previously unknown commodity before getting in too deep. Exporting firms also state that the requirement for Canadian export permits when coarse grains are exported from this country is a hindrance. Such permits are freely granted at present but traders unfamiliar with the Canadian situation show some nervousness lest such permits might not be easily available in the future.

Jackson Dodds To Retire

Relinquishes Joint General Managership of Bank of Montreal

Announcement this week that Jackson Dodds, joint general manager of the Bank of Montreal has decided to retire, brings to a close a banking career of 45 years. Pending the appointment of a successor, it is stated that G. W. Spinney, joint general manager with Mr. Dodds, will carry on alone as general manager.

Mr. Dodds was born in London, England, 61 years ago. He served with the Comptoir Nationale D'Escompte de Paris in London for four years, joining in 1901 the old Bank of British North America, which in 1918 was amalgamated with the Bank of Montreal. During the last war he served, first as a private with the Honorable Artillery Co. and later with the Royal Army Ordnance Corps, rising to the rank of lieutenant-colonel and assistant director of ordnance services. He was decorated with the Order of the British Empire and was mentioned in dispatches four times.

He is active in Red Cross work and headed the Red Cross drive for funds last May. He is a member of the boards of a number of British and Canadian companies.

C.N.R. Increase Rolling Stock

New Equipment Added Strengthens Ability to Handle Traffic

From Our Own Correspondent

MONTREAL. — Several types of new equipment are being received by the Canadian National Railways.

Included in the list of deliveries are 24 out of 35 giant 6200-series northern type locomotives by the Montreal Locomotive Works, a completed order of 300 all-steel 50-ton flat cars by Canadian Car and Foundry Co., the first of 15 baggage cars by National Steel Car Corp., and 109 of 700 all-steel 70-ton gondola cars by the Eastern Car Co.

In addition the company's Point St. Charles shops in Montreal have built 183 cabooses since June of last year and work on 67 more has commenced.

Considerable conversion work is going on in the London and Winnipeg shops, where sleepers are being remodelled into first class coaches and colonist cars.

Aircraft Union Opposes Board

From Our Own Correspondent

MONTREAL.—Claiming to represent 10,000 aircraft workers in the Montreal area, Local 712 of the International Association of Machinists, in an open letter to Prime Minister King, alleges that the Quebec Regional War Labor Board is "playing the game of those who seek to destroy honest trade unionism by permitting itself to be used as a tool to introduce Nazi-like control over the worker through the medium of company unions."

The letter charges delay by the board in adjudicating an agreement with three Montreal aircraft firms.

An upward revision of wages is being sought by the union, together with a full cost-of-living bonus.

The agreement in question concerns workers at Noorduyn Aviation, Fairchild Aircraft and Canadian Vickers.

Negotiations were opened with the three plants in June, 1942, for revision of the agreement expiring June 30. The union claims that the board turned down the case without comment. The letter says the union "viewpoint" had gone back to the board for the third time and now has been forwarded to the National War Labor Board for a directive.

It is pointed out the companies supported the union in part of its demands—payment of the full cost-of-living bonus.

OIL ROYALTIES

Producing Wells — Prices and Payments

	§Oct. daily allow. bbls.	Sept. daily allow. bbls.	July pay. 1% $	Aug. pay. 1% $	Sept. pay. 1% $	Paid to Sept. 30 1% $	Dealers offerings price 1%* $
Ace No. 1 gross	525	525	230.24	219.32	205.12	3,575.67	....
Alta. Oil Inc. No. 1 gr.	82	82	36.40	33.60	32.80	3,498.40	1,300
Do., No. 1 net	82	82	30.40	25.60	22.40	3,904.80	900
Do., No. 2 gr.	485	485	229.60	234.40	210.80	3,844.40	7,500
Do., No. 2 net	116	116	49.00	47.00	29.00	1,410.60	4,900
Allied No. 1 pfd.	95	95	42.61	38.12	42.92	699.18	1,700
Arrow No. 1 net	485	485	186.40	168.00	150.40	5,675.40	....
Do., No. 2 net	186	186	64.90	70.00	51.00	1,403.20	1,800
Atlas No. 1 net pfd.	105	105	....	48.80	....	....	1,000
Atlas-Br. D. No. 2 pfd.	654	654	317.60	329.20	293.20	1,822.80	7,800
D. & D. net pfd.	75	75	27.60	26.80	30.00	1,777.80	1,000
East Crest No. 5	130	130	59.20	59.20	49.60	237.20	1,800
Independent No. 1 p.	220	220	114.60	103.03	93.03	1,913.45	3,100
Do., No. 1 gr.	220	220	103.42	89.75	78.62	1,042.69	....
Major Oil No. 1 pfd.	108	108	62.00	46.00	40.00	890.00	1,800
Do., No. 1 gr.	108	108	59.20	54.80	43.20	1,472.60	....
Do., No. 2 net	578	578	284.80	289.60	154.40	4,176.60	5,400
Do., No. 2 gr.	578	578	273.20	277.60	259.60	5,360.40	....
Do., No. 3 net	825	825	280.40	283.20	259.20	5,495.20	6,400
Do., No. 3 gr.	825	825	376.00	380.80	374.80	5,259.20	....
Do., No. 4 pfd.	299	299	149.20	144.00	137.20	1,943.20	4,100
Do., No. 4 gr.	299	299	134.80	128.40	128.40	2,234.40	....
Do., No. 7 pfd.	650	650	....	....	....	......	7,600
Do., No. 7 dfd.	650	650	....	....	....	......	4,000
Do., No. 7 gr.	650	650	161.60	290.80	292.40	744.80	....
Do., No. 8 pfd.	529	293	....	....	....	......	5,100
Do., No. 8 gr.	529	293	....	176.40	199.60	376.00	7,000
Do., No. 8 dfd.	529	293	....	....	....	......	2,300
Do., No. 9 gr.	427	427	250.00	230.80	181.60	707.60	....
Do., No. 9 pfd.	427	427	....	....	....	......	5,000
Do., No. 9 dfd.	427	427	....	....	....	......	2,400
Miracle No. 1 net	415	415	152.09	139.53	124.27	4,463.30	4,500
Do., No. 1 gr.	415	415	203.20	178.12	170.40	4,351.80	....
Do., No. 2 pfd.	304	304	146.81	132.63	166.62	1,094.96	4,000
Do., No. 2 gr.	304	304	131.60	123.38	149.60	611.52	5,700
Renown No. 1 pfd.	95	95	38.00	52.69	36.78	174.03	....
Winalta No. 1 pfd.	81	81	35.60	46.80	30.80	3,412.50	1,000

*Approximately 25% over dealers' list prices.
§November allowables in barrels not generally released.

Drilling Wells — Prices and Depths

Well:	Drilling depth ft.	Offering price per 1%	Well:	Drilling depth ft.	Offering price per 1%
Atlas-Br. Dom. No. 3 pfd.	8,424	*$4,375	Northcl. No. 1 gr.	8,271	6,400
Bonaventure pfd.	6,873	2,300	Northend No. 1 pfd.	8,629	3,100
Bonaventure gross	6,873	4,000	Northend No. 1 dfd.	8,629	1,800
Major Oil No. 6 pfd.	8,022	6,100	Northend No. 1 gr.	8,629	4,400
Major Oil No. 6 gr.	8,022	7,700	Northend No. 2 pfd.	6,450	2,800
Miracle No. 3 pfd.	7,162	4,700	Northend No. 2 gr.	6,450	5,000
Miracle No. 3 gr.	7,162	6,300	National Vulcan No. 1	3,331	*4,375
Northcl. No. 1 pfd.	8,271	4,500	New Ranchmen's pfd. 2	1,770	*3,200
Northcl. No. 1 dfd.	8,271	2,300	Empire pfd. (Ont)†	....	*1,100
			Hi.-Test Pet. pfd.†	....	*3,600
			Kinsella Ltd.	....	*2,100

*Pegged price. †Acreage royalty.

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Wheat Prices

Winnipeg Grain Futures

Week of Nov. 16, 1942

Crop year from Aug. 1, 1942 High	Low		High for week	Low for week	Close Nov. 16
		Wheat			
.91¼	.90⅜	Dec. ...	.90½	.90⅜	.90⅜
		Oats			
.46⅞	.45	Dec. ...	.45⅞	.45¼	.45¼
.48¼	.45⅝	May ...	.48	.47⅞	.47⅞
		Barley			
.61½	.60¼	Dec. ...	.60⅝	.60¼	.60¼
.63¼	.60¾	May ...	.63⅛	.63⅛	.63⅛
		Rye			
.63¼	.53⅝	Dec. ...	.58¼	.56½	.57½
.64¾	.56¼	May ...	.60⅜	.59⅛	.60⅜

Cash Quotations

	For Week Nov. 16 High	Low	Prev. Week High	Low
Wheat:				
1 Nor. ...	.90½	.90⅜	.90⅞	.90⅜
2 Nor. ...	.87	.86⅞	.87⅛	.86⅞
3 Nor. ...	.86	.85⅝	.86¼	.86
4 Nor. ...	.85¼	.85⅛	.85½	.85⅛
5 Wheat .	.83⅝	.83¼	.84	.83⅛
6 Wheat .	.82½	.80⅝	.82¾	.82⅛
Feed	.80½	.80⅜	.80⅝	.80¼
Oats:				
2 C. W. ..	.45¾	.45	.46⅝	.45¾
3 C. W. ..	.44	.42¾	.44¼	.43
Barley:				
1 Feed ..	.56	.56	.56	.56
2 Feed ..	.54¾	.54⅜	.54⅜	.54
Rye:				
2 C. W. ..	.57⅜	.56⅞	.56¼	.54½

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ON DOMINION SQUARE
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Higher Pay For Copper Miners

Officials Hope Move Will Cure B. C. Production Lag

From Our Own Correspondent

VANCOUVER. — Wage ceilings have been raised in British Columbia's copper mines and there is some prospect of similar action in the coal mines as a result of slow-down in production on Vancouver Island.

In the case of the copper industry the National War Labor Board granted increased wages to induce miners to return from shipyards and other higher-pay jobs. Copper production has been one of the chief industrial bottlenecks in British Columbia.

Underground employees at the big Britannia and Granby mines are to receive a 35 cents a shift increase, in addition to a 25 cents a day copper bonus, and cost-of-living bonus, making a total of $6.31 for miners and $5.81 for muckers for an eight-hour day.

The wage increase was the second move to stimulate production of copper. The other was when the Canadian Government made it possible for B. C. copper mines to sell all their output to the United States Reserve Metals Co. on a royalty and management fee basis.

Expect Big Increase

It is hoped that the copper production in the west coast province will be increased some two million pounds a month as a result of the new setup. Currently, production has been about 3.5 million pounds. Britannia's output has been about 50% what it should be under normal conditions, this mine alone having lost 375 men to other industries in recent months.

The Ottawa authorities have so far shown less inclination to yield to the coal miners' plea. The coal miners' jobs and wages are "frozen" at the rates agreed upon some months ago, except for occasional cost-of-living bonuses. Recent efforts to obtain an increase through arbitration failed.

The result has been a "rebel" slow down in some of the more important Vancouver Island workings —"rebel" because it is not sanctioned by the United Mine Workers and is opposed by the management. British Columbia is already threatened with a coal shortage, and the creeping paralysis over production on Vancouver Island is likely to have serious effects. Pits that were producing 600 or more tons of coal daily in October are now showing less than 450 tons.

Warning Said Ignored

John Stokaluk, international vice-president of the U.M.W.A., issued an order threatening miners engaged in slowdown with expulsion, but curtailment continues from day to day.

Rather than see the mines shut down, some mine managers are suggesting that, as in the copper industry, a little leeway on wages would be justified. They point out that if the price of coal to consumers was raised 35 to 50 cents a ton, the companies would be able to meet the miners' demands, whereas if Island coal output sank to such a level that coast cities would need to depend on coal from the Crow's Nest field they would have to pay $1.75 to $2 more per ton. Higher wages, they say, would also enable Vancouver Island to revive the bunkering business on a large scale and make it unnecessary for bunkering coal to be hauled 800 miles from the Crow's Nest to Vancouver on already congested railways.

Coal Mine Wages Go Farther

On the other hand, there are those who claim that the coal miners' wages do not suffer by comparison with those of shipyard workers, who invariably are cited as the big money-makers. Concessions to the coal miners, which have no counterpart in the shipyards, amount to more than $20 a month, and they are represented largely by cheaper fuel and rent, medical care, and saving in transportation costs.

The base rate for the average coal miner may be only about $126 a month compared to the shipbuilder's $155, but when the concessions are figured in, the comparison is $166 for the coal miner against the shipbuilder's $173—a gap of only $7 a month.

What will happen in the logging and lumbering industries remains to be seen. The lag in timber production is probably more important than any other, as no other source accessible to the United Nations is able to offset the loss. Log and lumber production is down about 25%, and Major A. I. Harris, British timber controller, who has been on the coast urging a more intensive effort to build up supplies for overseas, estimates that British Columbia will be about 33% short of her quota this year, in the face of unprecedented demand.

Higher Wages Help Here

Loggers on the Queen Charlotte Islands, getting out aircraft spruce, are being bonused, and the average pay is $10 a day for those men who sign on for a minimum of 100 days. While this situation has helped production in that one area, camps in other sections continue to run behind schedule.

Many operators claim that the only way to meet the problem is to increase the price of lumber, which would enable the mills and logging camps to pay more wages and build up the depleted ranks of forest labor. They are opposed to wage freezing and job freezing.

It is still too early to count the advantages from higher wages, even in the few instances where they have been permitted.

Total Labor Supply Limited

If the higher wages bring the men back and enable the industries to roll up greater production, a good case for them undoubtedly will be made, but the fact remains that the pool of available labor is limited. Enlistment in the armed forces has taken thousands from British Columbia, and there is small likelihood of the shipyards being able to spare a great many men.

Mining Concentrates

Perron Gold Mines along with many other producers, has been forced to curtail development in order to maintain production, General Manager J. P. Norrie reveals in a third quarter progress report. Development was reduced approximately 20%. The number of employees decreased from 317 per day in the first quarter to 286 in the second quarter and 273 in the third quarter. In spite of the labor shortage ore developed in the quarter was approximately equal to the tonnage milled. The more important ore sections opened up in underground work were as follows:

	Length ft.	Width ft.	Grade oz.
4762 Drift East	67	4.0	0.15
618 Drift E. & W. ..	195	2.7	0.30
832 Drift West	60	5.0	0.12
1112 Drift E. & W. ..	65	3.0	0.15
1220 Drift E. & W. ..	80	3.9	0.14
1620 Raise	120	5.0	0.25

* * *

Sladen Malartic Mines is expected to start depth exploration shortly following completion of shaft sinking for new levels at 1,075, 1,225, 1,375, 1,525 and 1,675 ft. depth. A new hoist has already been installed which will allow operation to 3,000 ft. depth. Only short crosscuts will be necessary to reach the projected downward extension of the "fault zone" or telluride ore bodies. Progressive improvement in grade and tonnage has been shown in these as depth has been reached while diamond drilling has also indicated the downward extension of the telluride bodies to 1,100 ft. depth with an increase in length to 700 ft. and some increase in grade. Ore has been disclosed at the adjoining East Malartic property to the east at the 1,570-ft. horizon indicating the downward extension of ore values to depth.

* * *

McKenzie Red Lake Gold Mines has declared its regular quarterly dividend of 3 cents a share payable Dec. 15, to shareholders of record Dec. 1.

* * *

Preston East Dome Mines has declared a quarterly dividend of 5 cents a share payable Jan. 15, 1943, to shareholders of record Dec. 23.

Mining INVESTMENTS

Mining market gains in gold listings have been held for the most part this last week and investors generally seem more optimistic following recent victories in Africa. In some quarters, however, it is stated that a better "follow through" by the senior golds is desired before making any predictions on a basic change of trend in the gold market.

The outstanding rise in gold stocks brings back memories of the "Dunkirk" market of June, 1940. At that time military defeats became the prime market factor. Although there was no direct connection between that defeat and gold mining, the gold stocks proved particularly vulnerable in a market sense. Now exactly the opposite has been the case. Instead of a defeat, we have had a victory—and a "gold boom" has resulted.

* * *

The sensitivity of the gold mining market to international developments is taken as a significant reason for believing that peace—or important indications of an Allied victory — might touch off an even greater rise in gold stocks.

It is too early as yet, of course, to think that we are anywhere close to peace, but investors who have seen a generally poor market for gold stocks the last year or so can take encouragement from the fact that a future gold boom is a real possibility.

* * *

Kerr-Addison recently broke over a quarter million tons of ore at a single blast, using 45 tons of dynamite to "liquidate" the rock concerned.

To shareholders this event meant an important strengthening of their operation. Broken reserves were boosted substantially and now amount to over a year's milling requirements. At a time when labor supplies generally are running short, a reserve of this kind is of prime importance in maintaining an even flow of production and profits.

* * *

Steep Rock Iron Mines has had some of its ore treated and found the "premier open-hearth ore on the North American continent," Premier Gordon Conant of Ontario stated in a speech at Port Arthur late last week. In addition to tests at the Battelle Institute at Columbus, Ohio, a 15-ton batch of the ore was shipped to the Republic Steel Co. at Buffalo for an open-hearth test under actual operating conditions.

The resulting steel secured at the Republic plant was shipped to the National Steel Car Co. at Hamilton and is being made into anti-aircraft shells. The ore comprised float gathered up in the vicinity of the Steep Rock operation.

The significance of the Steep Rock ore tests was summed up by Premier Conant in part as follows:

"The use of Steep Rock ore in the open-hearth furnace of the Republic Steel Co. made a greater tonnage of steel proportionately and made it in shorter time than the regular open-hearth charge. Steep Rock ore is therefore much more economical in use and is outstanding for open-hearth purposes.

"The importance of this to the iron and steel industry and to Canada can hardly be overrated."

The Week in Oils

From Our Own Correspondent

CALGARY.—Suspended at 4,517 ft. back in 1939, south Turner Valley extension test Brown Oil Corp. No. 6 is going to be deepened to its original objective, the Madison limestone. Operations are slated to get under way immediately, according to an official announcement.

Resumption of this key test which, at the time of suspension, lay more than a mile south of "proven" territory and, geologically speaking, was considered to have poor prospects, is a natural follow-up of the gradual extension southward of the "proven area" by the string of Northwest-Hudson Bay completions. This gradual southward extension was culminated a few weeks ago by the successful completion of Northwest-H. B. No. 8, located only quarter of a mile north and west of the Brown 6 site.

Northwest 8 topped the lime at 8,214 ft., 4,078 ft. below sea level. Now on steady production, the well is operating at between 375 and 410 bbls. per day.

Decision to resume at Brown 6 was made by company directors following receipt of favorable geological reports from two geologists. It is now anticipated that Brown 6 can reach the Madison at an elevation only slightly greater than that at Northwest 8.

* * *

Start at Kinsella

General Petroleums (Kinsella) Ltd.'s initial drill-test in the Kinsella area is slated to commence operations in the immediate future, according to official announcement.

Application has been made for drilling permit for the first well, to be drilled in L.S.D. 16 29-44-8w4. The contractor, General Petroleums, is reported ready to move in a light rotary rig. The well will be the first in a three-well programme on a potential central Alberta plains area lying west and south of the Wainwright oilfield, southeast of the Kinsella gasfield, and south of the Buffalo Coulee area, which is now undergoing test.

Turner Output Higher

Alberta's crude oil and natural gasoline production increased 386 bbls. per day during the latest week for which figures are available due to an increase in production of Turner Valley wells. Daily average in the week ended 8 a.m., Nov. 9, was 27,406 bbls., compared with 27,020 bbls. daily in the week ended Nov. 2. The latest week's average was made up as follows: Turner Valley crude oil, 26,272 bbls. daily; Turner Valley natural gasoline, 669 bbls.; other crude oil production 465 bbls. daily.

Prime factors in the production gain are the recently completed wells in Turner Valley. These five completions have, for the time being at least, served to offset the decline in older producers.

Latest reports on these completions show:

Foothills No. 9—Operating on steady production at between 540 and 600 bbls. per day.

Northwest Hudson Bay No. 8—Operating on steady production at between 375 and 410 bbls. per day.

Royalite No. 64 — Operating on steady production at between 325 and 370 bbls. per day.

Royalite No. 65—Capable of over 275 bbls. per day in flush runs, but currently operating under test at varying flow rates.

Northwest Hudson Bay No. 9 — Still in process of acidizing, with potential not yet known.

* * *

To Spud Deep Test

The long awaited initial Devonian limestone test in Turner Valley will probably be spudded in within a few days, the necessary casing having been arranged for through pledges by certain of the backers of the venture.

Devonian test No. 1 is located on the central west flank of the structure, in L.S.D. 2 25-19-3w5. Cellar and foundations have been completed and rotary equipment is now being installed. The well is to be drilled by Drilling Contractors on a cost basis.

Eleven participating companies have subscribed quarter of a million dollars to carry the vital test to the Devonian limestone, a potentially productive body believed to underlie the Madison limestone from which the bulk of Turner Valley's production now comes.

Backers are Royalite Oil Co., Anglo Canadian Oil Co., Home Oil Co., Calgary & Edmonton, C.P.R., Okalta Oils, Calmont Oils, Royal Canadian Oils, Davies Petroleums, Chinook Oils, and Union Drilling Co. Location for the test has been provided by Royalite.

Any production obtaining, either from the Madison or Devonian or both, will be shared prorata by the participating companies. The probable total depth of the well will be somewhere between 10,000 and 12,000 ft.

Macassa Mines has been running lower in 1942 with estimated net profit of $631,015 for the nine months ended Sept. 30, equal to 23.6 cents a share. An average of 330 tons was treated during the period with a total output of $1,544,121. Owing to the shortage of miners, tonnage milled has declined from 425 tons daily in Oct., 1941, to 345 tons currently. With restrictions placed on the employment of labor for non-essential industry, which now includes gold mining, the management can foresee no improvement in this condition in the immediate future. Increasing difficulty will develop in securing necessary supplies, machines and parts, it is stated. A progressive reduction in operating returns is expected as a result. Forward development is being carried on at a limited scale. As a result of the abnormal amount of exploration and development during the last three years, the mine is in excellent physical condition.

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How Stands W. P. T. B. Now?

(Continued from page 9)

ate under the retail ceiling. Since these reductions proved inadequate, cotton manufacturers then issued new prices comparable with their opening prices in February, 1941. This August pricing order is considered the prelude to conclusion of long-drawn-out negotiations for the subsidization of raw cotton by the Commodity Price Stabilization Corporation.

Most squeeze adjustments, it should be noted, are not a matter of varying retail ceiling prices so much as an adjustment within the trade, with a view to making it possible to hold the ceiling prices inviolate. There have been exceptions to this, notably in the case of canned fruits and vegetables, where the squeeze formula called for the actual puncturing of the ceiling.

Other recent "squeeze" adjustments include canned fruits and vegetables, pianos and organs, leather, flour and feed. In this latter case, the difference between what are termed "appropriate" prices and the 90 cent price which the federal government undertook to guarantee the farmer on 280 million bushels of new crop wheat, is to be rebated by the federal treasury. The transaction in the case of wheat is being handled by the Wheat Board and in the case of animal feed by the Agricultural Supplies Board.

Wheat and Beef

The two chief areas in which the Prices Board has been forced to yield important ground are wheat and beef.

Political considerations dictated by the raising of wheat prices to western farmers from a basic ceiling price of about 78 cents to 90 cents a bushel. As already indicated, the difference is being made up by way of public subsidy, in respect to flour and feed needed for home consumption. Other prices of agricultural products have been raised, of course, but in each case there has been the justification that such higher prices were necessary to increase production for war or needs. There was no such justification in the case of wheat and the policy met strong resistance, for that reason, from the Board.

In beef, the story is a strong intermingling of personalities and politics with the end not yet in sight. Initially, through unwillingness to yield ground on the retail front, the Board resisted an increase in beef prices which would have done much to prevent the subsequent confusion and scarcity. By the time Donald Gordon was willing to compromise, Minister of Agriculture (Hon. James G. Gardiner) refused to play ball. A stop-gap subsidy plan (said to have cost about $500,000 in the months that it was actively in operation last summer and fall) was set up. Under it, Wartime Food Corporation was empowered to purchase cattle with public funds — cattle which otherwise would have been exported to sell in the higher U. S. market. When this action failed to halt the beef shortage the first major puncturing of the retail ceiling was decreed, effective from the period October, 1942 to June, 1943. The initial price increase was $1.50 per cwt. in the basic wholesale carcass price.

New Power For W.P.T.B.

Apart from price problems and difficulties, the major changes in policy and programme which have occurred in the first year of the price ceiling include the extension of consumer rationing; new and increased authority for the W.P.T.B. in the field of housing; extension of the Board's powers to include the new programme of curtailment and concentration in civilian, non-essential housing.

These new authorities are chiefly significant for this reason; they demonstrate the unity of operation and purpose as between control of prices and the control of civilian production and supply in Canada's anti-inflation programme. It is this type of problem rather than the mechanics of maintaining a price ceiling which threaten to loom very large in 1943.

Board policy on subsidies and treatment of imported goods, has also been noteworthy in at least three important respects.

The original declaration to subsidize importation of a very wide variety of merchandise irrespective of its "essentiality" has been narrowed very considerably.

The chief responsibility of the subsidy administration tends increasingly toward the field of "bulk" purchasing.

The principle of profit control, that is, the making of subsidy payments depends on a firm's overall year-end profit position. This was introduced originally in the payment of domestic subsidies on a specified list of grocery products. It has since been extended to other subsidy agreements.

Chairman Gordon warns Canadians against "any assumption that the battle of inflation has been won." He interprets price control as "far more than the mere regulation of prices." In essence, he says, "it means the control of the production of goods and services for civilian use with a view to achieving our maximum war effort and at the same time ensuring the maintenance of our minimum output essential to health and efficiency on the home front."

This record of accomplishment in the administration of the price ceiling is a considerable augury for his ability and competence in handling this wider price control responsibility.

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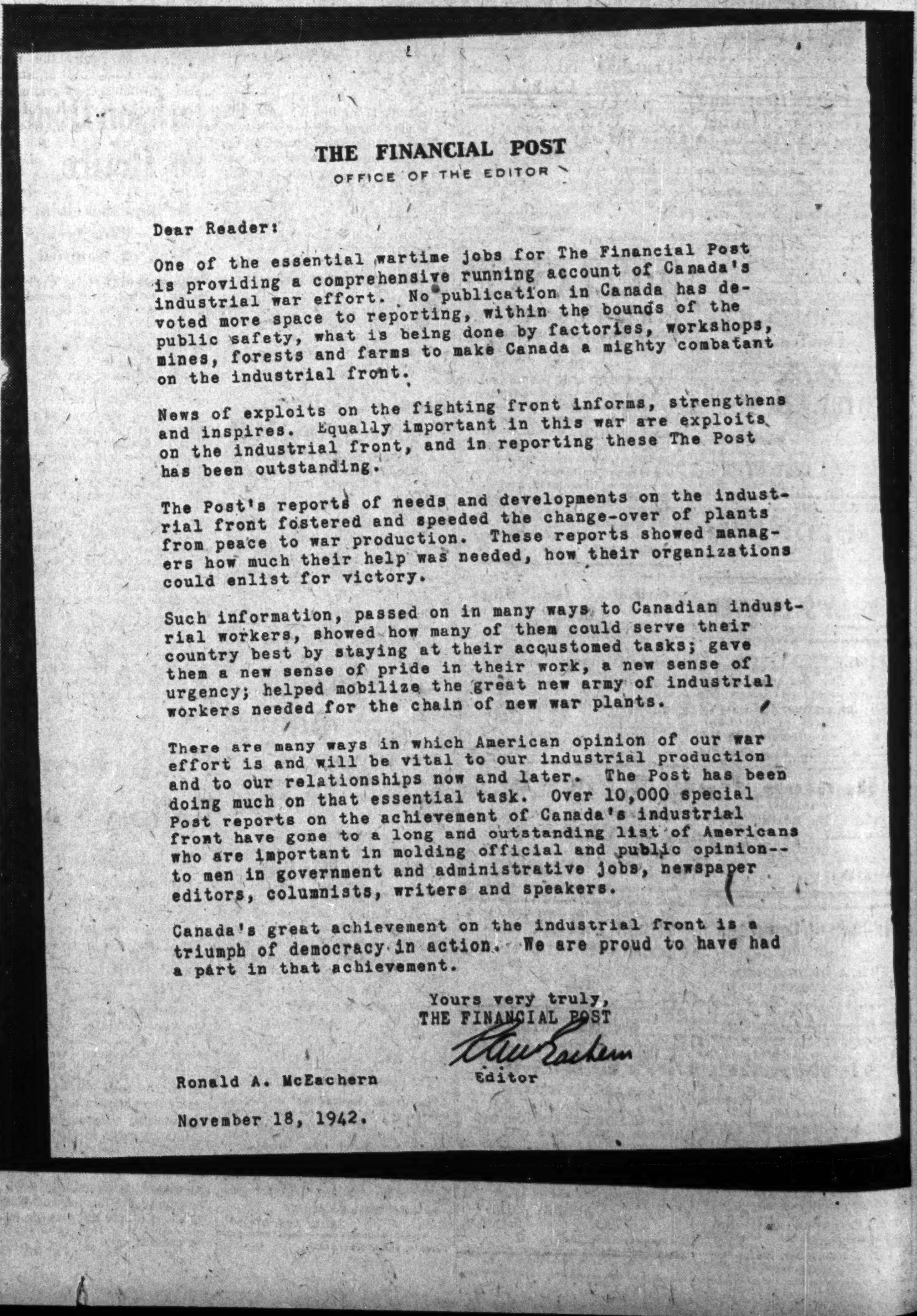


THE FINANCIAL POST

OFFICE OF THE EDITOR

Dear Reader:

One of the essential wartime jobs for The Financial Post is providing a comprehensive running account of Canada's industrial war effort. No publication in Canada has devoted more space to reporting, within the bounds of public safety, what is being done by factories, workshops, mines, forests and farms to make Canada a mighty combatant on the industrial front.

News of exploits on the fighting front informs, strengthens and inspires. Equally important in this war are exploits on the industrial front, and in reporting these The Post has been outstanding.

The Post's reports of needs and developments on the industrial front fostered and speeded the change-over of plants from peace to war production. These reports showed managers how much their help was needed, how their organizations could enlist for victory.

Such information, passed on in many ways to Canadian industrial workers, showed how many of them could serve their country best by staying at their accustomed tasks; gave them a new sense of pride in their work, a new sense of urgency; helped mobilize the great new army of industrial workers needed for the chain of new war plants.

There are many ways in which American opinion of our war effort is and will be vital to our industrial production and to our relationships now and later. The Post has been doing much on that essential task. Over 10,000 special Post reports on the achievement of Canada's industrial front have gone to a long and outstanding list of Americans who are important in molding official and public opinion--to men in government and administrative jobs, newspaper editors, columnists, writers and speakers.

Canada's great achievement on the industrial front is a triumph of democracy in action. We are proud to have had a part in that achievement.

Yours very truly,
THE FINANCIAL POST
McEachern

Ronald A. McEachern Editor

November 18, 1942.

New Significance For Eau Claire Mica

Showings Extended – White Mica Output Gets Select Strategic Rating

By GORDON M. GRANT

Translated from hope to reality—white mica production is beginning to take on important significance in Canada's production of strategic minerals.

That the Eau Claire mica had quality was never questioned. What was questioned—and what the last few months have effectively determined — is that the mica showings in this area east of North Bay are not confined to a single occurrence but are sufficiently widespread to justify the expectation of a substantial production of marketable grades.

"This discovery is considered the most outstanding mica deposit in North America," declares J. P. Norrie, veteran Quebec mine maker, of the Eau Claire area Purdy property recently taken over by Inspiration Mining & Development Co. of which he is general manager.

But the Purdy Mine is now only one of a number in the area. Inspiration has a second mine—the Croteau—to the west. Mica Consolidated Mines has active mining operations under way on two mica-bearing structures and a third pegmatite dyke recently located not far from Inspiration's Purdy mine may be the most important Mica Consolidated discovery to date; Bonfield Syndicate, a third operator in the area, is now taking in equipment and plans production.

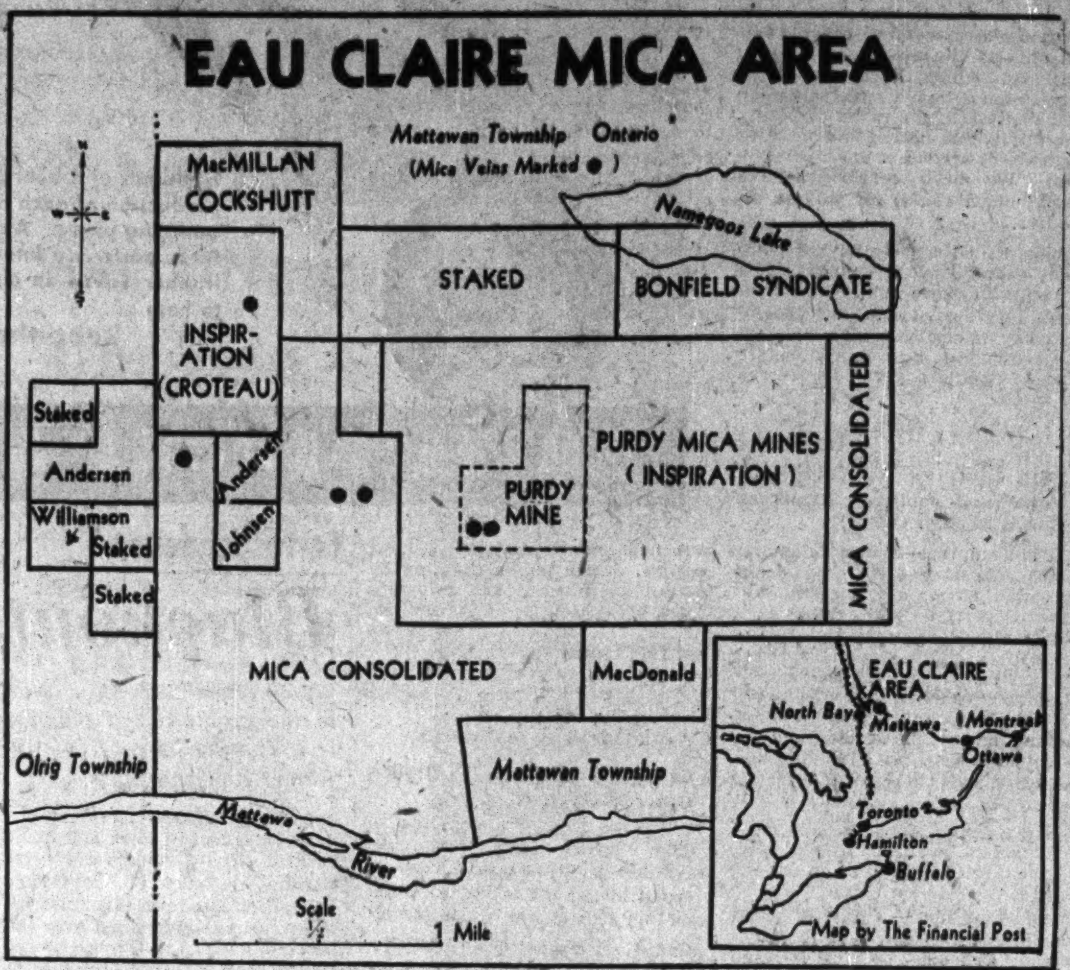
Processing Plants Work

Splitting, trimming and grading of mica has become a regular business at the Inspiration-controlled processing plant at Mattawa, 12 miles east of Eau Claire, while at Bonfield, west of Eau Claire, Mica Consolidated has also established processing facilities. A total of 15 girls is employed at Mattawa, working on the rough mica; Mica Consolidated has 20 girls on the same work.

Starting work somewhat earlier than Mica Consolidated, Inspiration Mining & Development Co. has already prepared five tons of mica for market; two tons of this have been sold to the United States Government with the balance now ready for shipment. Mica Consolidated has $1,000 of mica "on the floor" ready for shipment.

Its Mica Strategic

Because its mica ranks as strategic (much of the mica produced in Canada isn't), the Eau Claire area enjoys unusual advantages from a marketing standpoint. Governments are eagerly seeking its output. Prices for the best quality strategic mica now run two to four times those at the end of 1939 depending on the size of the sheets.



Situated just south of the Ottawa River and 12 miles east of Mattawa, Eau Claire lies in a country of pegmatite dykes. Main developments are outlined above, but adjacent prospecting is again on the uptrend as others try to duplicate these first showings.

Production of a ton of mica may not sound impressive from a volume standpoint. But this is precious stuff as shown by the list of prices quoted by the U. S.-controlled Colonial Mica Corp. recently for No. 1 quality "thumtrimmed or rough-trimmed mica":

Dimensions inches	Price per pound
Punch mica	$0.22
1½ by 2	1.10
2 by 2	1.75
2 by 3	2.75
3 by 3	3.50
3 by 4	4.25
3 by 5	5.00
4 by 6	6.25
6 by 8	8.00

That operators have been unusually fortunate in finding commercial concentrations of muscovite or white mica in the Eau Claire area is indicated by the "Prospectors' Guide for Strategic Minerals in Canada" published by the Department of Mines and Resources at Ottawa. Noting that sheet white mica is always found in granite pegmatite dykes, such as those in the Eau Claire area, the publication declares:

> "Only rarely has it been found, however, that the quantity and quality of the muscovite of such dykes are such as to offer any possibility of commercial development."

Can Make Money

That commercial profit-making possibilities of the Eau Claire muscovite are really there has now been effectively demonstrated. A substantial profit was made on the first $10,000 load of mica removed from the Purdy mine.

Norman Vincent, running the Mica Consolidated show, states a small profit is now being realized by that company although the operation is really still in its development stage.

Of the Inspiration operation, J. P. Norrie has this to say:

"It seems that Inspiration has acquired a very profitable property for the duration of the war and one that will operate in peacetime with a fair margin of profit."

Profit possibilities for the Eau Claire mica are being shown comparatively rapidly. There is no ground perhaps as yet for believing that as profitable an operation as one of the better junior gold producers will develop. But the showings are good, prices are continually increasing and development may expand the present showings as work has been relatively limited to date.

Strategic Import Great

While there may be a limit to the dollar profits to be realized, there seems to be little or no limit to the strategic importance of the mica being turned out.

A U. S. Bureau of Mines bulletin states that for most purposes only muscovite or white mica can be termed as strategic and that to be termed strategic, the mica blocks must be free of stains, cracks, pin-holes, cross-grains and creases and relatively free of clay staining. It must be hard, clear and reasonably flat. As far as is known, the Eau Claire region is the only place in Canada prepared to turn out this type of white mica in any quantity. A considerable amount of mica has been turned out the last few years in Canada but it has been almost entirely amber mica; much of it has been scrap secured by working over old dumps and scrap mica isn't given strategic rating at all.

The heaviest demand at present is for mica sheets, 1½ by 2 inches, 2 by 2 inches and 2 by 3 inches. This is where the price increases have been greatest.

The situation as regards strategic mica has become so serious that both the United States and Canada have issued export embargoes except under special license.

Why Mica Essential

The "why" of the importance of strategic mica is not hard to find. Here is what "Marketing Strategic Mica" by the U. S. Bureau of Mines has to say on the importance of mica:

> "In modern warfare mica is truly indispensable. The coordination of combatant units necessitates maintenance of intricate communication equipment, in the construction of which high-grade sheet mica is essential.
>
> "A peculiar combination of physical properties — perfect cleavage, heat and electrical resistance, flexibility and elasticity — makes mica indispensable for use in condensers, electrical generating and motive equipment, radio tubes, and certain airplane spark plugs. Transmitting, receiving and trimmer condenser films, radio-tube bridges and supports, 'cigarette' films and nose washers for airplane spark plugs, and magneto condenser films are the strategic forms of mica urgently needed for our war programme."

Take in Lower Grades

That the situation on mica has been becoming more rather than less serious, is another reason for believing the Eau Claire mica deposits are coming along at a most opportune time. The gradual downward revision of what is considered strategic mica testifies to this trend. Says "Marketing Strategic Mica" on this point:

> "The specifications of strategic mica are constantly being revised downward. Formerly, only slightly stained was acceptable for a specific purpose; now, fair stained and even good-stained are being used. Some domestic mica, heavy-stained to stained, according to Indian standards, has definite strategic use because of its high degree of flexibility. The WPB is endeavoring to substitute domestic mica and imported stained for good-stained India mica for military radio tube supports and bridges as well as other military requirements."

From the standpoint of vein length, the mica-bearing pegmatite dykes of the Eau Claire region aren't likely to impress either the base or precious metal miner. But it is the value and importance of the product that comes out that is of chief significance. And it is stated that a property like the Purdy might possibly turn out "several millions" of mica.

The Purdy mine—now held by Purdy Mica Mines (Inspiration controlled) — has two important pegmatite dykes 250 ft. apart striking up a steep hill. Each has been opened up for more than 300 ft. in length across widths of 20 ft. with all ends open. A quantity of mica is available in both dykes above the valley level which can be mined cheaply by open pit.

The Croteau mine is another showing controlled by Inspiration.

Mica Consolidated's No. 2 vein or central discovery has been opened up for a length of 180 ft. showing a width of 10 ft. Crystals have been found up to two feet wide with plenty running a foot wide, it is stated. Government records show a length of 100 ft. and a width of 7 ft. for the No. 1 vein to the west.

The No. 3 or most easterly showing of Mica Consolidated, lies along a hill and officials have been particularly pleased with this showing which has given indications of widening as work proceeds deeper and into the hill. The possibility is seen that it might develop into something like the Purdy find.

Mica from this showing is stated to be especially pure and free from stain. This freedom from stain is said to be even more important than size of the mica blocks marketed.

With the cutting and trimming of mica well in hand, operators are beginning to look into the possibilities of fabricating. By doing some extra work on scrap mica which is bound to be secured, it is thought that the total of revenue secured might be increased substantially.

Mining Concentrates

Cost-of-living bonus has cut the profits of numerous gold mines this year as managements have been unable to pass it along by a higher selling price or increased production.

* * *

Beattie Gold Mines had an operating profit of $164,074 in the three months ended Sept. 30, 1942, compared with $268,846 in the corresponding period of 1941. While tonnage of ore milled showed little change at 163,325 tons against 167,510 tons, value of production showed a considerable decrease at $586,093 as against $744,388 in the third quarter of 1941. Expenses showed little change except for a drop in taxes from $93,200 to $37,500.

* * *

Gold Frontier Mines is reported to have made its initial payment to Noble Five Mines under the deal completed recently.

* * *

Hollinger Consolidated has declared a dividend of 5 cents a share payable Dec. 2, 1942, to shareholders of record Nov. 18.

* * *

McWatters Gold Mines had an operating profit of $16,167 for the three months ended Sept. 30, 1942, compared with an operating loss of $4,145 in the same period of 1941. A total of $1,622 was spent on outside exploration during the quarter ended Sept. 30.

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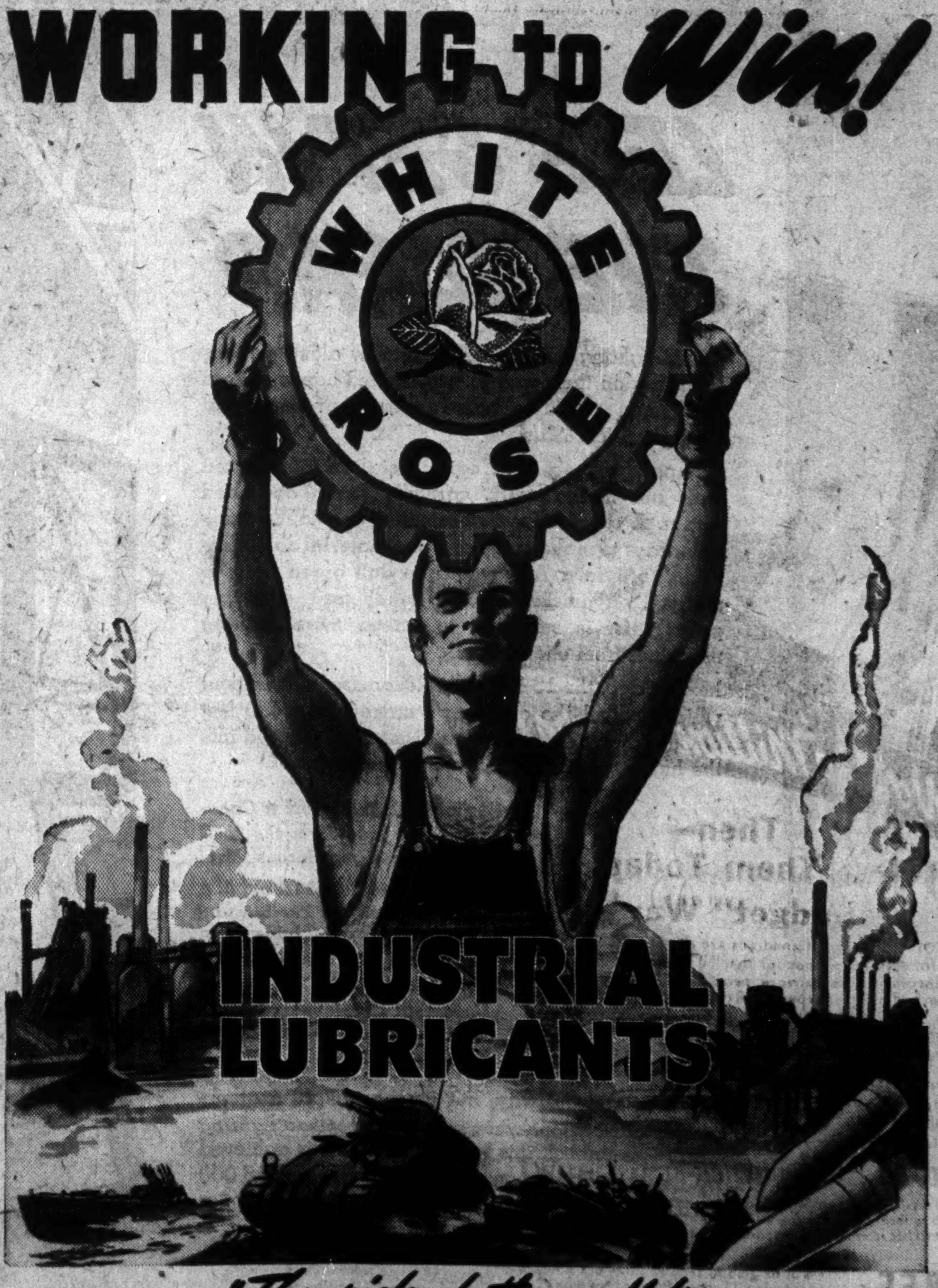

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The Coming Struggle in Politics

More Comments on the Article by Bruce Hutchison

In its Nov. 7 issue, The Financial Post published a searching article by Bruce Hutchison, subject—the forces which are pushing Canada toward a new two-party system of right and left. Herewith The Post publishes a second installment of the comments which author Hutchison's challenging appraisal has evoked.

From L. D. M. Baxter,

Director, Osler, Hammond & Nanton, Winnipeg.

With much he has stated I am inclined to agree, but I am not prepared to concede that the C.C.F. should be considered as a serious contender to national leadership. If it should obtain that preferred position, then the blame must rest entirely upon the shoulders of those to whom has been entrusted the responsibility of leadership in Liberal and Conservative thinking.

The sacredness of private possessions and the freedom of individual enterprise are very intricately woven into the fabric of our national life. Particularly is that so of the workman who owns his cottage and the farmer who looks upon his acres as his own. It is our proud boast in Canada that to the man of ability no matter how humble his origin there is no limit to that which he can attain both in possessions and in position.

The policy of the C.C.F. as propounded by its leaders, has never, in my opinion, been challenged by those who today lead the Conservative and Liberal parties. The grandiose theories of the C.C.F. have been allowed to float across the ether of our country without that searching examination which was deserved.

I contend, if in their deliberations our convention delegates make progress the keynote, not only in their selection for leadership but in the policy which will govern their future action both in winning the war and framing the peace, then the Conservative party will take its rightful place in guiding the destiny of our country without fear of serious challenge from the C.C.F.

From an editorial in the Truro Daily News

So far as we can understand the viewpoint of the writer he seems to be of the opinion that the Conservative party at this forthcoming convention should commit itself to an extension of further advanced socialist legislation so as to take the wind out of the sails of the C.C.F. party. Mr. Hutchison evidently feels that it would be a catastrophe for the C.C.F. to gain control of the government of Canada.

With Mr. Hutchison we would look on the election to power in Canada of the C.C.F. as calamitous.

So far as the Liberal party is concerned Mr. Mackenzie King has usually gone to the country on his "past record." If he fights the next election on that basis there seems little doubt that the C.C.F. will make immeasurable inroads.

We are of the opinion that the new Conservative platform must be one that is genuine, easily understood by the rank and file and one that can be accepted by the voters in all stations of life from the Atlantic to the Pacific.

This paper is entirely independent in politics as we have so many times reiterated. We unhesitatingly line ourselves against the C.C.F. party as the governing party of this Dominion. Whether or not it is time for a change it is certainly time that both the Liberal and Conservative parties consider the threat of social credit and the C.C.F. which is growing from year to year.

From H. H. Stevens,

Vancouver, former Conservative Cabinet Minister

I think Mr. Hutchison has placed his finger on the vital spot in the chaotic political situation of today and without a doubt any political party that expects to be honored with the support of a majority of the people must very clearly and definitely enunciate practical policies suitable to meet the needs of the new economic conditions under which we are now living—not only resulting from the war disturbances, but which were present even before the outbreak of war. In my opinion it is not necessary in meeting these conditions to do violence to certain sentimental beliefs, but in the practical realm new and definite remedies are required.

From M. J. Coldwell, M.P.,

Leader of the C. C. F. Party.

Mr. Hutchison states a fact which is fundamental to an understanding of the present war and to preparation for the postwar period. It is that we are witnessing a striking, perhaps a culminating, stage in a great world revolution.

Mr. Hutchison sees this. He says that "given victory the great underlying issue in every democratic country will be statism versus private initiative." He pictures the trends in extreme terms. But in social development there is neither all black nor snow white.

Mr. Hutchison writes that the C.C.F. "has made itself the voice of statism, has sponsored the theory that the state must operate our productive enterprises completely." But this is precisely what the C.C.F. has not done. The family farm is the basis of rural life. The development of co-operatives must be encouraged. Not until an organization becomes a monopoly or a resource is of such a nature that the nation cannot afford to allow it to pass to private hands is it necessary to make it a state-controlled function.

In the society we visualize there would be a wide field for individual enterprise. If what Mr. Hutchison says of us were true, we should not be democratic socialists but dictatorial revolutionaries and that we are not.

As to the future of the political parties in Canada, Mr. Hutchison's analysis is sound. Both of the old parties are survivals of 19th century economic and social divisions. Since the reasons for their separate existence have disappeared, one or the other must disappear or they must merge into one. In both parties there are persons whose ideas are in line with those of the C.C.F. Eventually they will gravitate toward that party.

From A. P. Paterson,

Prominent New Brunswick Liberal, former Provincial Minister of Federal and Municipal Relations.

Mr. Hutchison's article is a red light of warning to those of us who are concerned with the future welfare of this nation. It pertains to the ever growing unrest which, if not checked, may in the future cause the dismemberment of this nation, and as it directly and indirectly pertains to our whole national structure, a brief comment on it could not intelligently convey the importance of the warning and the necessity for heeding it.

Mr. Hutchison paints a fairly accurate picture of "the coming struggle in politics" and refers to the weakness of the so-called Conservative and so-called Liberal parties with the resultant turning of people to the C.C.F. which is a menace to individual initiative and among other things; not because they want socialism in connection with subjects under the jurisdiction of the Dominion, but because they are fed-up with the abuses of so-called capitalism and the abuses of political partyism which have caused so much economic and social suffering and distress in the midst of plenty for all in this nation and he (Mr. Hutchison) arrives at the conclusion that—"We must therefore have a party which stands for private initiative."

Would such a party be any more than a palliative to ease the pain while the disease continues its inroads into the vitals of the nation? Like any other disease, it seems that the cause must be removed before Canada's political party disease can be cured.

From Charles W. Peterson,

Editor and publisher, Farm and Ranch Review, Calgary.

It is an unreal—almost ridiculous—spectacle to find a "Liberal-Conservative" and a "Conservative-Liberal" party competing with each other for power in the federal field, against a rapidly growing socialist party, which, mark well, is not composed to any large extent of convinced socialists, but mainly of protestants against the reactionary and impotent record of both the old parties during the past decade of severe national crisis.

If the forthcoming National Conservative Convention adopts an ultra-radical platform, which the Port Hope meeting would seem to foreshadow, the political confusion would be even more acute than it is today. Canada's political line-up would simply become grotesque.

Amalgamation of the Liberal and Conservative parties would involve no sacrifice whatever of principles on either side. During the past quarter of a century the objectives of both parties, as revealed by their record while in office, have been to all intents and purposes identical. All the high-falutin lectures by enthusiastic party henchmen on liberal and conservative "principles" is just so much eyewash.

The cleavage in Canadian political thought today is concentrated on free enterprise versus collectivism. There is no other important political question before the public.

It would, I think, be a fair statement that 80% of party men on both sides would favor immediate amalgamation of the old parties so as to create a party division that would make sense.

A small but very influential percentage of "die-hards" and similar leaders stand in the way. These people, still living in the dim past, have not yet awakened to the fact that meaningless partyism is being crowded out in public thinking by revolutionary social and economic issues, brought on by the second industrial reformation in which we now find ourselves.

From Alex. M. Wilson,

Editor and publisher, the Dryden, Ont., Observer.

It is the Conservative party's golden opportunity and the Conservatives would be wise, indeed, to grasp it before the Liberals. Otherwise they may as well close up shop.

Canadians are not quite ready for C.C.F. socialism, but they are anxious to head that way. The C.C.F. is perhaps the party of tomorrow but the electors are not ready for it just now. Still it is a case of Liberals versus C.C.F.; the Conservatives do not quite fully enough come into the picture.

Should they take up some of the C.C.F.'s good points to replace some of their own evils they could quite easily drive into the centre of a three-party contest and come out on top. But by the same token one wonders if the voter would not suspect a wolf in sheep's clothing. The Conservatives would have to take that chance.

It should by no means be taken that the Liberal party will go out, but if the Conservatives can beat them to it and turn far enough to the Left, the Liberals are bound to play second fiddle.

But though the C.C.F. may be temporarily halted this time it will, if it keeps away from the extreme, blossom forth in the not-too-distant future. The trend is toward that end; no one can stop it.

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Correspondence

Blackouts and Contract Law

John Ross Stirrett, author of the article which follows, is a Toronto barrister and a former Rhodes scholar.

By JOHN ROSS STIRRETT

The blackout of neon and other electric signs throughout central Canada by order of the Power Controller has revived public interest, originally aroused over the cancellation of the Quebec power contracts, in the legal and ethical rules regarding the sanctity of contracts. Most of the "blacked-out" signs on theatres, stores and billboards are the subject matter of long-term leases made years ago. Neither of the contracting parties at the time of entering into the written lease for the rental of the electric sign ever imagined that the war would suddenly strike at the root of their contract. For the most part, therefore, the contingency of a blackout is not dealt with in the written contracts of lease.

The parties to the contract are now asking themselves and asking the courts in effect—"Are these rental contracts discharged and terminated by the blackout order, or must the user of the sign continue to pay rental moneys strictly in accordance with its terms?"

The common law gives no clear answer. Since the rule in Paradine vs. Jane in 1647, the courts have held that the sanctity of contracts is elemental law: "When a party by his own contract creates a duty or charge upon himself, he is bound to make it good, if he may, because he might have provided against it by his contract." In ethics, the same rule finds expression in such definitions as, "Honesty is the will and the effort to keep one's agreements whether in the fulfillment of written contracts or in habits such as fidelity, loyalty and punctuality."

The law has long since been compelled to acknowledge exceptions to the main doctrine of the sanctity of contracts. It has allowed contracts to be terminated where the subject matter of the contract was destroyed, or where it was impossible to perform the contract or for failure of consideration, and for other reasons.

But, if contracts are now allowed to be terminated because an unforeseen contingency has arisen which has frustrated the purpose of the contract, then the sanctity of contracts as a rule of law is in real peril.

The "Implied Term"

In very recent decisions in Great Britain, the courts have compromised the conflicting rules of law in cases of frustration of contract by the so-called doctrine of an "implied term" in the contract. The scene of the original contract, when the parties were face to face discussing the terms of their agreement, is re-enacted. "What will happen," someone asks, "in the case of a blackout?" If, as reasonable men, they both would have replied, "In that event the contract would be at an end." Or, "It would continue in force," then the courts imply such a term in their contract, and in effect make a bargain for the contracting parties that they did not make themselves.

Obviously not all cases can be decided by this simple test. The rules of law are still in conflict; and the new exception, or doctrine of the termination of contracts by frustration, will, if pushed too far, undermine and destroy the principle of the sanctity of contracts.

Because of the mutually inconsistent rules of common law that govern the effect of war on contracts, provincial legislatures should come to the aid of the courts without delay. The legislatures can give an answer to the wartime problems created by the blackout and by other war regulations affecting contracts that the courts cannot give under existing rules of law.

The problems are social and ethical in their nature as well as legal. By enacting statutory rules governing as many cases of frustrated contracts as possible, provincial legislatures could render a much needed public service in dispensing justice; and remove that stigma cast upon them by the Honorable Mitchell Hepburn, ex-Premier of Ontario, when he said recently on the occasion of his retirement from office, that provincial governments were nothing more than glorified county councils.

LET'S GET IN THE "SCRAP"

While fighting machines roll steadily along production lines on their way to war, skilled hands of Ford craftsmen are also busy on *another* important Canadian job: *Salvage!*

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A statement by Ford of Canada's President, Wallace R. Campbell.

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